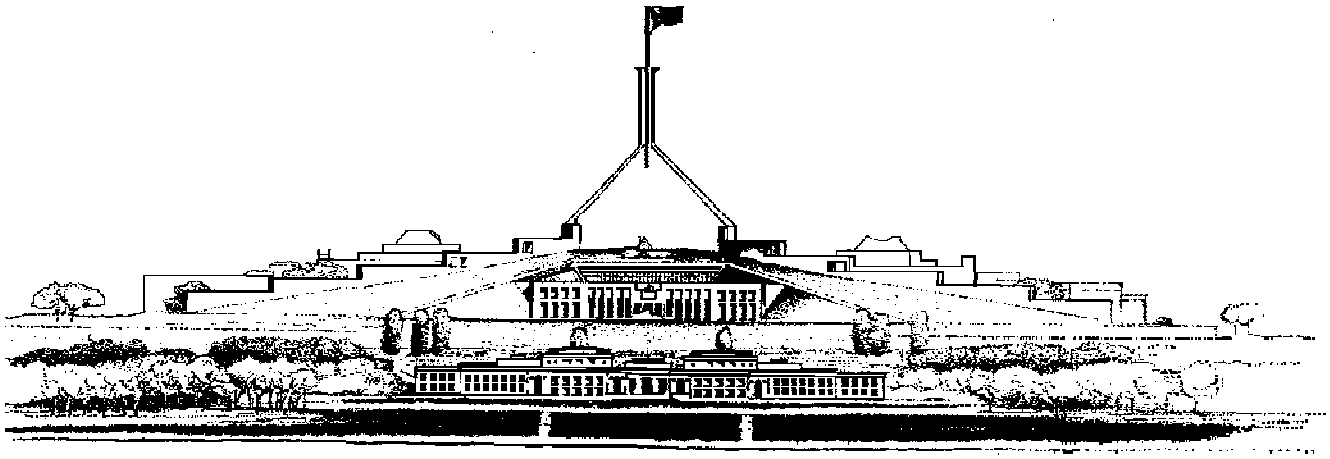
COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



SENATE

Official Hansard

THURSDAY, 11 MARCH 1999

THIRTY-NINTH PARLIAMENT
FIRST SESSION—SECOND PERIOD

BY AUTHORITY OF THE SENATE
CANBERRA

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THURSDAY, 11 MARCH

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Thursday, 11 March 1999

The PRESIDENT (Senator the Hon. Margaret Reid) took the chair at 9.30 a.m., and read prayers.

NOTICES

Presentation

Senator ALLISON (Victoria)—I give notice that, on the next day of sitting, I shall move:

That the Senate notes that:

(a) a letter dated 10 March 1999 was given to Senator Allison by the Minister for the Environment and Heritage (Senator Hill) listing some of the documents he refused to table when he partially met the requirements of a parliamentary order for the production of documents on Monday, 8 March 1999; and

(b) the letter lists the grounds for refusal to release 13 documents.

I seek leave to table that letter.

Leave granted.

Senator Woodley to move, on the next day of sitting:

(1) That the following matters be referred to the Rural and Regional Affairs and Transport Legislation Committee for inquiry and report:

(a) the circumstances surrounding the decision by the Civil Aviation Safety Authority (CASA) to terminate the Class G airspace trial; and

(b) the roles and responsibilities of CASA, Airservices Australia, the Bureau of Air Safety Investigation and the Department of Transport and Regional Services in the regulation, design and management of airspace.

(2) The following matters be referred to the Rural and Regional Affairs and Transport References Committee for inquiry and report:

(a) the impact of Airspace 2000 on airspace users, operators, and providers, including its safety implications;

(b) the application of competition policy to services provided by Airservices Australia;

(c) the impact of location specific pricing; and

(d) the examination of air safety.

Senator Margetts to move, on the next day of sitting:

That the Senate—

(a) notes:

(i) the strong concerns expressed by the Australian Medical Association about the potential health effects of the Government's proposal to reduce the price of diesel as part of its tax reform package, and

(ii) that these concerns mirror those expressed by the Australia Institute, the Australian Conservation Foundation and Greenpeace Australia; and

(b) calls on the Government to withdraw its proposal to cut the price of diesel in the interests of the health of all Australians.

Senator O'Brien to move, on the next day of sitting:

That the following matters be referred to the Rural and Regional Affairs and Transport References Committee for inquiry and report by 30 June 1999:

(a) the impact on the Australian dairy industry of the termination of the Commonwealth Domestic Market Support (DMS) scheme on 30 June 2000;

(b) the adequacy of the proposed industry package to compensate producers after the DMS scheme ends;

(c) the impact of possible removal of farm gate support arrangements in Victoria on dairy producers, processors and consumers, especially those in other states;

(d) the economic and social impact on the dairying regions of Australia of the termination of the DMS scheme and of the possible removal of farm gate support arrangements in Victoria; and

(e) the pressures on the current industry regulatory arrangements such as the introduction of new technologies and competitor supplier countries such as New Zealand.

Senator Bourne to move, on the next day of sitting:

That the Senate—

(a) notes, and endorses, a resolution passed in the United States (US) House of Representatives on 10 February 1999, which called on the US Congress to make all efforts necessary to pass a resolution criticising the People's Republic of China for its human rights abuses in China and Tibet at the

annual meeting of the United Nations Commission on Human Rights; and

(b) calls on the Australian Government to undertake to support the US resolution should it be moved at the commission's annual meeting.

Senator Margetts to move, on the next day of sitting:

That the Senate—

(a) notes, with grave concern, the appearance on 12 March 1999 of the Australian Government before the International Committee on the Elimination of Racial Discrimination, following a request from the committee under its early warning and urgent action procedures to examine the compatibility of recent changes to the *Native Title Act 1993* with Australia's obligations under the International Convention on the Elimination of All Forms of Racial Discrimination; and

(b) calls on the Australian Government to take the necessary steps to restore our international reputation in relation to racial discrimination.

COMMITTEES

Regulations and Ordinances Committee

Senator CALVERT (Tasmania)—I give notice that, at the giving of notices on the next day of sitting, Senator O'Chee will withdraw business of the Senate notice No. 1 standing in Senator O'Chee's name for six sitting days after today for the disallowance of the Archives Regulations (Amendment), as contained in Statutory Rules 1998 No. 273 and made under the Archives Act 1983; business of the Senate notice No. 2 standing in Senator O'Chee's name for six sitting days after today for the disallowance of the Childcare Assistance Immunisation Requirements IMCA/12G/ 98/3, made under section 12H of the Child Care Act 1972; and business of the Senate notice No. 4 standing in Senator O'Chee's name for six sitting days after today for the disallowance of the Health Insurance (1998-99 General Medical Services Table) Regulations 1998, as contained in Statutory Rules 1998 No. 301, and made under the Health Insurance Act 1973. I seek leave to incorporate in *Hansard* the committee's correspondence concerning these instruments.

Leave granted.

The correspondence read as follows—

Archives Regulations (Amendment) Statutory Rules 1998 No.273

2 December 1998

Senator the Hon Richard Alston

Minister for Communications, Information Technology and the Arts

Parliament House

CANBERRA ACT 2600

Dear Minister

I refer to the Archives Regulations (Amendment), Statutory Rules 1998 No.273, which amend the Principal Regulations with respect to the charges which may be made for copying and discretionary services.

The Explanatory Statement indicates that, in relation to most matters, the charges set out in the Schedule substituted by these regulations have increased. That Statement also observes that there has been no change to the charges made for training courses, the reason being that 'these are already high in comparison with the prevailing prices in the market'. Presumably, the Archives is able to charge above market rates for its training sessions because it is a monopoly supplier. The Committee would appreciate your advice as to why, if the charge for training sessions is currently high, this opportunity was not taken to reduce the level of charges for them.

Yours sincerely

Bill O'Chee

Chairman

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23 DEC 1998

Senator Bill O'Chee

Chairman

Standing Committee on Regulations and Ordinances

Parliament House

CANBERRA ACT 2600

Dear Bill

Thank you for your letter of 2 December 1998 to the Minister for Communications, Information Technology and the Arts, Senator the Hon Richard Alston, seeking the reasons why charges for the training courses set out in the Schedule to the Archives Regulations (Amendment), Statutory Rules 1998 No. 273 were not reduced. Senator Alston has passed your letter to me for reply as Minister responsible in the new Government.

I am advised by the National Archives that the Explanatory Statement to the regulations was inadvertently incorrectly worded. The statement that

charges "are already high in comparison with the prevailing prices in the market" is in fact not the situation in relation to the current market in the private sector.

When the Archives established fees for discretionary services in 1990 it was decided to include a fee for the training of private sector consultants. This followed a number of instances where companies contracting to Commonwealth agencies had sought to attend Archives training courses which are intended primarily to train Commonwealth agency staff. The fee set was the maximum rate that could be charged, even though it was then only partial cost recovery. Private sector training companies in fact charge rates generally much higher for records-related training courses than those charged by the Archives.

The Archives has followed a policy of discounting the charge where private sector contractors are to do records-related work for Commonwealth agencies. This is because the Archives is concerned to ensure that the work is done for Commonwealth agencies by adequately trained personnel; the Archives has assured me that this discounting will continue.

During 1999 the Archives intends to introduce a new suite of training courses. It may be that provision of these courses is outsourced. It was therefore decided not to alter the training course charges stated in the Regulation at this time, but to continue the discount policy and consider the matter in the light of new arrangements and to propose appropriate amendments to the Regulations at that time.

I trust that this explanation satisfies the Committee's concerns on this matter.

Kind Regards

Peter McGauran

Childcare Assistance Immunisation Requirements IMCA/12G/98/3, made under section 12H of the *Child Care Act 1972*

2 December 1998
Senator the Hon Jocelyn Newman
Minister for Family and Community Services
Parliament House
CANBERRA ACT 2600

Dear Minister

I refer to the Childcare Assistance Immunisation Requirements IMCA/12G/98/3 made under s.12H of the *Child Care Act 1972*, which will, in some circumstances, allow more time for parents to comply with the immunisation requirements of that Act before they lose their eligibility to Childcare Assistance.

The Explanatory Statement advises that on 6 January 1999 Centrelink will write to parents of children under seven not shown as being immunised advising them of the link between Childcare Assistance and immunisation. Section 12G of the enabling Act indicates that the link there referred to is established only when the Secretary to the Department is satisfied as to various matters. However, it does readily appear from the legislation whether a parent has a right of review of an adverse decision by the Secretary and whether, if there is such a right, the parent is to be informed of it.

The Committee would be grateful for your advice.

Yours sincerely

Bill O'Chee

Chairman

Senator Bill O'Chee
Senator for Queensland
19 January 1999
Chairman
Standing Committee on Regulations and Ordinances
Parliament House
CANBERRA ACT 2600

Dear Bill

Thank you for your letter of 2 December 1998 concerning the link between eligibility for Childcare Assistance and immunisation. I apologise for the delay in replying.

A decision that Childcare Assistance is not payable to a child who does not satisfy the immunisation requirements in section 12H of the *Child Care Act 1972* (the Act) is made under section 12G of that Act. Under this current Act, a parent who has received an adverse decision from the Secretary has no right of review.

It is envisaged that there will be review rights for parents in relation to the link between the proposed Child Care Benefit and immunisation in the proposed Family Assistance Act, expected to be in effect from 1 July 2000.

Yours sincerely

JOCELYN NEWMAN

Health Insurance (1998-99 General Medical Services Table) Regulations 1998

Statutory Rules 1998 No.301

2 December 1998
The Hon Michael Wooldridge MP
Minister for Health and Aged Care
Parliament House
CANBERRA ACT 2600

Dear Minister

I refer to the Health Insurance (1998-99 General Medical Services Table) Regulations 1998, Statu-

tory Rules 1998 No.301, which set out the table of fees for general medical services applicable for the year from 1 November 1998.

The copy of the regulations received by the Committee listed the fee for item 319 of the Table as '71', although a slip attached to the front of the regulations substituted '71' with '$132.65'. The Committee would appreciate your assurance that the version of the regulations made by the Governor-General had the correct figure in the fee column against item 319.

Yours sincerely

Bill O'Chee

Chairman

Senator W G. O'Chee
Chairman
Standing Committee on Regulations and Ordinances
Parliament House
CANBERRA ACT 2600

Dear Bill

Thank you for your letter of 2 December 1998 concerning Health Insurance (1998-99 General Medical Services Table) Regulations 1998, Statutory Rules 1998 No. 301.

The Regulations signed by the Governor-General on 27 October 1998 contained the correct fee of $132.65.

The Attorney-General's Department has advised that the error was a typographical error that occurred between the original document being signed and the Regulations being printed for general distribution by the Government printer. As the error was detected before the Regulations were distributed and the size of the Regulations meant it was not practicable to reprint them before distribution, the Regulations were distributed with a correction slip.

With kind regards,

Yours sincerely

Dr Michael Wooldridge

BUSINESS

Government Business

Motion (by **Senator Ian Campbell**) agreed to:

That the following government business orders of the day be considered from 12.45 p.m. till not later than 2.00 p.m. today.

No. 4— Rural Adjustment Amendment Bill 1998

No. 5— Therapeutic Goods Legislation Amendment Bill 1999

No. 6— Ozone Protection Amendment Bill 1998 [1999]

No. 7— Agriculture, Fisheries and Forestry Legislation Amendment Bill (No. 2) 1998

No. 8— Australian Sports Drug Agency Amendment Bill 1998

No. 9— Motor Vehicle Standards Amendment Bill 1998

No. 10— National Measurement Amendment (Utility Meters) Bill 1998

No. 11— Taxation Laws Amendment Bill (No. 5) 1998

General Interest Charge (Imposition) Bill 1998

NOTICES

Postponement

Motion (by **Senator Mackay**) agreed to:

That business of the Senate notice of motion no. 4 standing in her name for today, relating to the reference of a matter to the Rural and Regional Affairs and Transport References Committee, be postponed till the next day of sitting.

Motion (by **Senator Brown**) agreed to:

That general business notice of motion no. 132 standing in his name for today, relating to the proposed international airport on Kooragang Island, Newcastle, be postponed till 23 March 1999.

BUSINESS

Routine of Business

Motion (by **Senator Ian Campbell**) agreed to:

That the order of general business for consideration today be as follows:

(a) general business notice of motion no. 139 standing in the name of Senator Mackay, relating to women workers; and

(b) consideration of government documents.

NOTICES

Postponement

Motion (by **Senator Bourne**, at the request of **Senator Stott Despoja**) agreed to:

That general business notices of motion no. 63 (relating to drug use and abuse), no. 140 (genetically-modified food) and no. 143 (food labelling) standing in the name of Senator Stott Despoja for today, be postponed till the next day of sitting.

Motion (by **Senator Bourne**) agreed to:

That general business notice of motion no. 144 standing in her name for today, relating to the 50th anniversary of the Chinese invasion of Tibet, be postponed till the next day of sitting.

Motion (by **Senator Allison**) agreed to:

That general business notices of motion nos 96, 98 and 99 standing in her name for today, relating to uranium mining, be postponed till the next day of sitting.

Motion (by **Senator Reynolds**) agreed to:

That general business notice of motion no. 130 standing in her name for today, relating to International Women's Day, be postponed till the next day of sitting.

Motion (by **Senator O'Brien**, at the request of **Senator Chris Evans**) agreed to:

That business of the Senate notice of motion no. 2 standing in the name of Senator Evans for today, relating to the disallowance of the Social Security (Meaning of Seasonal Work) Determination 1998, be postponed till the next day of sitting.

Withdrawal

Senator WOODLEY (Queensland)—Madam President, I withdraw business of the Senate notice of motion No. 5, standing in my name for today.

COMMITTEES

Environment, Communications, Information Technology and the Arts Legislation Committee

Extension of Time

Senator BOLKUS (South Australia) (9.40 a.m.)—I ask that general business notice of motion No. 131, standing in my name for today and relating to extension of time for a committee report, be taken as formal.

Leave not granted.

Suspension of Standing Orders

Senator BOLKUS (South Australia) (9.40 a.m.)—Pursuant to contingent notice of motion standing in the name of the Leader of the Opposition in the Senate, Senator Faulkner, I move:

That so much of the standing orders be suspended as would prevent Senator Faulkner moving a motion relating to the conduct of business of the Senate, namely a motion to give precedence to general business notice of motion No. 131.

This item before us today relates to the Environment Protection and Biodiversity Conservation Bill 1998 [1999], which is and will be in need of major surgery. The Environment, Communications, Information Technology and the Arts Legislation Committee is dealing with a piece of legislation which basically replaces some eight pieces of Commonwealth legislation.

There are real concerns in the community about this legislation. There are concerns on a whole range of levels. There are concerns about lack of consultation as to the bill. Witness after witness before the Senate environment committee indicated they had not been consulted or there was inadequate consultation. There is real concern as to lack of certainty in the framework that will be part of the legislation. There is concern that so much is being left to regulations and bilateral agreements that, when the Senate is asked to agree to this legislation, this Senate will not be in a position to understand what it is really agreeing to. There is real concern as to lack of detail in the bill itself.

This concern is widespread. It covers all stakeholders. Let us not delude ourselves when we address this particular topic. This bill could lead to a long debate and already I think potential amendments range to some 200, if not more, in number. So it will be a complicated process that the Senate will have to go through. We believe that, if we can have extra time in the committee to work out some of the amendments and some of the concerns, that will facilitate the debate in this place.

As I said, there is widespread concern. One of the issues raised before the committee was, for instance, the idea of having a round table of all stakeholders to see whether we can come to some agreement between the stakeholders with interest in this legislation. I think those who addressed that issue embrace the concept of a round table as a constructive way to go. In the last day or so we have had letters from a whole range of groups saying they would like to see the legislation proceed, but as recently as only a week ago we had a whole range of submissions from the industry sector concerned about no consultation, no

certainty and lack of detail in the framework. It was only a few weeks ago, for instance, that the Director of the Australian Industry Group, Mr Mark Fogarty, said that the bill was archaic. He said that it would be immediately unworkable and it had drafting errors. He said it would introduce uncertainty and that it would be unwise and unworkable to proceed with the legislation at this particular time. He was not the only one.

The Minerals Council of Australia, again just a couple of weeks ago, said that industry is of the strong view that the major bilateral agreements should be in place before the new legislation comes into effect and that all regulations must be produced and debated contemporaneously with the legislation. They went on to say that industry is of the opinion that a thorough reframing and rewrite of the bill will be necessary.

The Environmental Defender's Office, the peak group in drafting the environmental group's response to this legislation, urges the Senate to allow the public and the parliament adequate time to debate the bill. They recommend the legislation should not proceed until further draft regulations and bilateral agreements are made available. Even the National Farmers Federation said that the bill should be submitted to parliament only following the successful negotiation of bilateral agreements and should be accompanied by the regulations and admin orders. They said that the government's approach to consultation with stakeholders on the new package has been disappointing and has led to considerable concern.

Aboriginal and Torres Strait Islander people as well have wide-ranging concerns. Indigenous stakeholders have not been consulted. To the extent that they have been, they have been betrayed. The Association of Mining and Exploration Companies said just a couple of weeks ago, 'We are concerned that, should the bill be enacted prior to finalisation of bilateral arrangements, the result is likely to be widespread duplication in environmental processes.'

Senator Hill—We would be happy to give you the suspension.

Senator BOLKUS—If you are happy to give a suspension, why am I speaking?

Senator Hill interjecting—

Senator BOLKUS—Thanks, Senator Hill, but I think it is important to put this on the record since you are going to argue about it. In the last 24 hours, we have had correspondence from a range of industry groups, and what they have said in the last 24 hours is totally different from what they have been saying for a number of months by way of submissions to the Senate committee and by way of verbal submissions as well. We think it is important to get the extra three or four weeks and have a round table discussion so we can try to overcome some of the problems that are in the legislation before we get to the floor of this chamber because we understand that between now and 1 July we are going to be hard-pressed with a lot of other legislation as well.

Senator IAN CAMPBELL (Western Australia—Parliamentary Secretary to the Minister for Communications, Information Technology and the Arts) (9.45 a.m.)—The government will support the suspension.

Question resolved in the affirmative.

Procedural Motion

Motion (by **Senator Bolkus**) agreed to:

That general business notice of motion No. 131 may be moved immediately and have precedence over all other business today till determined.

Motion

Senator BOLKUS (South Australia) (9.46 a.m.)—I move:

That—

(a) the Senate notes that a number of organisations, in submissions to the Environment, Communications, Information Technology and the Arts Legislation Committee inquiry into the Environment Protection and Biodiversity Conservation Bill 1998 [1999], have raised concerns over the Government's lack of consultation and undue haste in relation to the proposed environmental legislation; and

(b) the time for presentation of the report of the Environment, Communications, Information Technology and the Arts Legislation Committee on the provisions of the Environment Protection and Biodiversity Conservation

> Bill 1998 [1999] be extended to 27 April 1999 to allow for further consultation.

As I was saying earlier, there are concerns about this legislation in the community and amongst all stakeholders. It is a concern that I detailed in the previous five-minute contribution that I made, and it is a concern that continues until this very day. We even had representations yesterday from the traditional owners of Uluru, who are concerned about how this bill will change the arrangements they have in respect of their ongoing relationship with the land at Uluru. They are one, but it is quite evident from the comments I read out earlier that the concern is that this legislation does traverse the whole range of stakeholders from industry to the National Farmers Federation, the seafood council, the mining industry and all the environmental groups.

I do not need to repeat what I said earlier, but I do say at this stage again that this is not simple legislation. This is not legislation that one can anticipate going through this House in quick time. It is legislation that does supplant some eight pieces of federal environmental law. It is legislation which has led to concern across, at least, environmental groups that the government is about curtailing its involvement from a national level in the environment. It is legislation which will need detailed consideration.

There are legal issues and issues of ministerial discretion and accountability. There are issues going to the ambit of the legislation. As I said earlier, I would be very surprised if a bill like this did not attract at least some 200 amendments in this place. Obviously it would facilitate the passage of the legislation and consideration of it if we had the extra time to consider it in committee.

Senator Hill—Would you put your amendments in the committee, which was the original desire of this committee system?

Senator BOLKUS—The amendments are being evolved. As you know from your period in opposition, as the committee hears more and more evidence, it can either finetune or develop amendments. That is exactly the way the process was used by you when you were in opposition. It is the way that we also use it and have used it in opposition here.

For instance, if you look at the Wik debate, amendments were being evolved in consultation with government, without consultation with government and in consultation with a whole range of groups. As Senator Minchin will tell you—if you take the time out to talk to him—that process is extremely important. We are looking towards having a comprehensive process.

At present, the reporting date is 22 March, but only four or five days before the reporting date we will be getting evidence for the first time formally from the Australian Conservation Foundation. Just a few days before that reporting date, we will be up in Darwin getting evidence from stakeholders there. At the end of this week, we will be hearing evidence in Adelaide. We are rushing three days of hearings—Darwin, Adelaide and Melbourne—over the next week with quite important stakeholders with important submissions to consider, and we are giving the committee and the secretariat, particularly the committee members, very little time to digest the submissions of those groups.

You could say that we have had some of the submissions in writing, but in this particular process as groups look closer and closer at the legislation—not just the environment groups but industry groups as well—they are finding there is a need for further examination and amendment. Let us not proceed with haste. We do have time available to us. If Senator Hill would consider this soberly, he would probably recognise that the proposal put up by the opposition today is one of merit because it would facilitate the process in this place.

Senator MARGETTS (Western Australia) (9.50 a.m.)—For many groups in the community, the Environment Protection and Biodiversity Conservation Bill 1998 [1999] has been brought on with unseemly haste. In many cases, if bills are brought in just before a Christmas break, groups who are mostly based on volunteers have a great deal of difficulty in complying with the requirements of getting fully researched and properly documented submissions together during the Christmas break. It is almost impossible. Now those groups are beginning to get their sub-

missions together and there is a great deal of rush. Of course, if the original timetable was applied, they would already have to have those done. Many people are suspicious of a government which makes claims about a major change to environment policy and then actually tries to engineer a situation where there is not sufficient time for those claims to be tested.

I have sat in on some hearings by phone on this piece of legislation, but I was at the Perth hearing when representatives from a wide range of groups within the mining industry gave evidence. A number of those people at the table said that they felt that they had not been properly consulted, that they believed there ought to be extra time and that they were not in favour of the bill coming on at the time it was scheduled.

I stopped for a minute and said, 'Can I get this clear? Is this the view of all of the groups represented here today?' Of course, we are talking about a large industry in Western Australia, the mining industry. I will not say that every single miner in Western Australia was represented, but I have to say that a fair chunk of the Western Australian mining industry was represented at that table. I said, 'Can I be quite clear here of what is being asked? You believe that the bill is being rushed on too quickly, you would like proper consultation and this bill needs more time to be properly debated within the community?' And they said, 'Yes, Senator.' They made it quite clear that that was what they were saying.

I guess what I would like to know is what the government have been saying to those groups in the last few days. What have the government been saying to industry? The government have been saying quite clearly since last year that they are going to promise a bill which will bring better environmental outcomes to Australia. Are the government frightened that, if they test that thesis, their statements will fall apart? Are they telling the mining industry that, if the bill gets looked at too closely, there is going to be growing community pressure to make the changes which most people believe are absolutely necessary to even get close to the government's statements of their aims for this bill?

Is it the case that this bill does not stand up to scrutiny? I would put it to you that that is what the government are currently saying to these groups—that, if they do not go now, there might be some chance of changing the bill to make it more protective of the environment. Heavens, we can't have that! The rush is on to stop the community from looking at things too closely and enabling the support for those necessary amendments to build.

I am concerned about the sudden change of mind considering, as I said, the evidence could not have been clearer from those groups that I was able to listen to in the committee. We had Aboriginal groups, we had environment groups, we had industry groups and, in particular, we had mining groups saying exactly the same thing—'Too rushed. Not enough consultation. This doesn't need to be put through this quickly. Let's put the bill off.' I would like to know what has happened in the meantime, and I guess I am looking forward to hearing the government's explanation of what they have been saying, the line they have been putting to those particular groups in the last few days.

I believe the community deserves the extra time that is necessary. I believe these issues are not side issues, they are not peripheral issues; they are mainstream issues in today's community and I believe they deserve to be looked at properly. I support the motion to give longer time for consideration of this bill.

Senator EGGLESTON (Western Australia) (9.54 a.m.)—I would very much like to oppose this motion. The core of the argument for the extension of time is that there has not been adequate time for consultation. But any review of the process that has been gone through shows that that argument simply does not stand up to any kind of examination.

First, the review of Commonwealth-state roles and responsibilities for the environment preceded the reform of Commonwealth environment legislation and culminated in the heads of agreement on Commonwealth-state roles and responsibilities for the environment endorsed in principle by COAG on 7 November 1997. Consultation with key non-

government organisations was an important aspect of the review process and, as far back as mid-December 1996, the working group conducting the review sought the views of over 50 key non-government organisations on a consultation paper. The working group requested that submissions be lodged by 21 February 1997—I repeat: 1997—and a number of organisations were granted additional time to prepare and lodge their submissions.

The working group developed a consultation paper in February 1998—more than a year ago—and over 5,000 copies of that paper were distributed to interested government and non-government organisations. The consultation paper was also made available electronically on the Internet. Both the minister and the officials of the department held discussions with key interest groups, and there have been no privileged negotiations with industry or any other group in this process. In other words, for something like 2½ years, the issues which this bill is about have been going through a process of discussion with the key interested parties. The claim that there has not been adequate public consultation really cannot be sustained.

The second issue is whether or not the committee has had sufficient time to consider submissions and think about the issues. The original closure date for the committee's hearings was 21 September 1998, and members of the committee have had access to 601 submissions. So, in effect, for some five months, the members of the committee have had time to consider the submissions of industry groups, indigenous groups and environmental groups. I would have thought that gave plenty of time for members of the committee and those in this place interested in environmental issues to think through the points made by the various groups that made submissions.

Lastly, there is the issue of whether the submitters have had adequate time to present their evidence to the committee. The committee sought to hold hearings in every capital city, and we still have to do Adelaide, Darwin and Melbourne. Nevertheless, a large number of submissions have been made by industry groups, indigenous groups and environmental groups. One thing that is clear is that there are no new issues being raised. The issues are very repetitious. Senator Faulkner knows about repetition because it is his way of getting a point across. The points are getting across because the same points are coming through in submission after submission. So I think it can be said that all the issues are on the table. There are, it would seem, no new issues to come from any of those three major groups.

Senator Bolkus made particular mention of the Australian Conservation Foundation. We recognise that the Australian Conservation Foundation, obviously, are a major group in this debate. But to say that, because they are not going to be heard until 18 March means their point of view will not be heard, is another example of something that does not stand up to examination, because the ACF have already put their issues to the committee. This is the case because the ACF was a major contributor to the submission of the Environmental Defender's Office. The Environmental Defender's Office made a global submission—which is known as submission No. 15—on behalf of various groups, including the Australian Conservation Foundation.

The Environmental Defender's Office has been heard in Sydney on 4 February and in Canberra on 4 March. As well, the Environmental Defender's Office will be heard again in Adelaide under the name of the Urban Ecology Group on 12 March, and in Darwin as the Northern Territory branch of the Environmental Defender's Office on 17 March. I repeat that in all these cases the groups have referred to the one submission—that is, submission No. 15—and the Australian Conservation Foundation was a major contributor to that submission. In other words, the arguments of the ACF have been heard time and time again, and to argue that they will not be heard until 15 March is just not true.

Furthermore, earlier this week I asked the secretary of the committee to contact the ACF in Melbourne to provide an additional submission if they had any further issues to be raised. It is pretty clear that there has been a full and proper process, that the committee has had adequate time to consider all the

issues and that there is no reason at all to delay this bill coming into the Senate.

Senator Bolkus has referred to groups such as the Minerals Council of Australia, the Australian Seafood Industry Council, the National Farmers Federation and various other groups that he says want a delay, and Senator Margetts also referred to them. Yet, strangely enough, there are copies of letters that I have in my possession, which have been passed on to me through the office of the minister, addressed to Senator Bolkus. In these letters the Australian Petroleum Production and Exploration Association, the Australian Seafood Industry Council, the National Farmers Federation, the Minerals Council of Australia and the Business Council of Australia all say that they do not want this bill to be delayed and they want this matter to come into the Senate so that, through the Senate process, the amendments which may be necessary can be considered in the committee stage and the debate of the bill can go on.

The indigenous group which Senator Bolkus mentioned yesterday, the Uluru group, are due to see the committee on Friday. I met them yesterday. The issues they have raised are already in a submission. We have already heard indigenous groups in Sydney and in Perth and, again, the broad issues are the same. So there is nothing new or different which the Uluru group or the Northern Land Council are likely to present to the committee.

It seems to me that there is no case whatsoever for delaying the debate of this bill. There has been adequate consultation. The issues are all on the table. Many of the groups which Senator Bolkus claims—and Senator Margetts said—did not wish the bill to proceed at this time have now written in and, quite to the contrary, have said they want the bill to go ahead and for the process of Senate debate to begin.

I would urge colleagues in the Senate to see Senator Bolkus's motion as being a motion put up for perhaps different reasons than those stated. It certainly is not put up because there has been lack of consultation or lack of time to consider the issues before the committee. I would urge you to reject this motion.

Senator BROWN (Tasmania) (10.03 a.m.)—The Australian Greens support this motion. I am amazed that the government feels that it is adequate for the peak environment group, the Australian Conservation Foundation, to be heard before this committee four days before the report is tabled in this place. Those of us who have been involved in committees—and that is all of us—will know that that essentially means there will be a draft of what is going to be brought before this chamber written before the major Australian conservation group has been heard. That is tokenism of the worst kind.

To hear Senator Eggleston say, 'Well, the Australian Conservation Foundation has fed into the Environmental Defender's Office. They have contributed to their submission. That should be enough,' is patronising to the environment movement in this country and, in particular, patronising to the Australian Conservation Foundation. You not only have to hear what the peak environment groups have to say but also have to be earnest in deliberating and considering their contribution.

After all, we are seeing in this legislation a major reversal of the process of the Commonwealth taking responsibility for the national environment. What we are seeing is a transfer back to the states of the bad old days pre-1970 when the great environmental repository and heritage of Australia was at the mercy of maverick state governments, and in particular the inability of state governments to do the right thing when they came under pressure from major resource extractors.

This is historic stuff. This is the worst reversal of Australia's environmental heritage against the wishes of the Australian people for half a century. This, together with the legislation to implement regional forest agreements, is about the Commonwealth walking out on its environmental responsibilities for this nation. We have a committee procedure which is to allow conservation groups in particular, as I see it, to be able to deliberate adequately, to relate to the wider community and to feed back into this chamber through the committee system. But the peak environment group, the Australian Conservation Foundation, is to be

heard four days before a report is tabled in this place. That is not good enough. That is tokenism.

The government might believe that that is the right thing to do at the behest of the resource extractors—not least the mining industry, which has apparently changed its position overnight as far as wanting an extension of hearing time for itself. It has suddenly fallen into line with the government's wish to have this matter brought to an early close without adequate community consultation and time so that the government can facilitate getting this legislation through before there has been proper debate with the community representatives.

The committee itself has not seen the bilateral agreements between the states and the Commonwealth which are going to facilitate this legislation. The committee has not seen the regulations which are attendant on this legislation. I cannot understand how Senator Eggleston or the minister can say that it is adequate or proper procedure for a committee of the Senate to report back to the Senate having not seen those regulations and those agreements—much less the people appearing before that committee having seen them. They are vital to an adequate assessment of the impact of this historic legislation on the way in which this nation deals with its environment.

I reiterate that this legislation is a major reversal, back to the bad old days when the Commonwealth shared its responsibility not for regional issues but for the national environment, including its global responsibilities for such things as world heritage. The right way to go with this legislation is to expand and tighten up on the Commonwealth responsibilities so that, like other nations around the world, the national parliament and the national government are able to respond in this fast moving world to their environmental responsibilities. But that is not what is happening here. The Commonwealth is divesting itself of the legislation which gives it the power to implement, oversee and fulfil those obligations to the nation's environment.

It may be thought that the environment does not matter or, worse still, that the environment is a difficulty which needs to be put aside by the Howard government. If that is its thinking, it is completely out of kilter with what the Australian people are thinking. The polls still show that Australians are more alert, aware and concerned about the environment as a people than the peoples of any other country on the face of the planet, including Germany. Moreover, the polling shows that young Australians consistently put at the top of their concerns fears for the environment. We must factor that in. Young Australians are alert to the fact that environmental degradation in this country and around the world is accelerating at a time when we know it is damaging not only to our future but also to our current living circumstances, our sense of security and our economic and employment prospects into the future. All those things are interrelated.

A survey last year by the Melbourne *Herald-Sun* tried to find out what it is that worries young people. This is related to the increasing rates of suicide, despair and cynicism amongst young Australians. It found that at the top of the list of concerns of these young Australians is the environment. They do not mean concern about some pictorial representation of the environment. Young Australians are very literate about the impact on the future of such things as global warming, deforestation, the loss of some 50 species to extinction around the world every day due to resource extraction and plunder, an expanding population and, in particular, loss of forests.

Senator Harradine—Mr Acting Deputy President, I raise a point of order on relevance. Bearing in mind the huge amount of work that the Senate has to do, I draw your attention to the fact that Senator Brown's current line of argument is not specifically addressing the proposal by Senator Bolkus.

Senator BROWN—Mr Acting Deputy President, on the point of order: it indeed is, as you would have followed during my argument.

Senator Harradine—I have another appointment.

Senator BROWN—It is not a point of order that Senator Harradine has appoint-

ments. If Senator Harradine wants to keep his appointments, he is able to do so, but he should not try to truncate this debate or the contribution of other senators because of his personal circumstances.

Senator Bolkus—On the point of order: I thought Senator Brown had made his point rather convincingly. He was drifting off the particular point at this stage. I do not know whether it is within his intentions to wind up pretty quickly. I would anticipate that, having made those points very well and succinctly, going to a vote might be the most advantageous thing to do.

The ACTING DEPUTY PRESIDENT (Senator Chapman)—Relevance is important in debates. I would ask that Senator Brown relate his remarks to the argument for the extension of time for the committee report and not to the debate on the issue and the legislation itself.

Senator BROWN—Thank you, Mr Acting Deputy President. As you would have noted from my contribution, that is exactly what I have been doing. This is an extremely important issue. It is one that needs to be given time, and adequate community consultation needs to be brought into it. It does not need to be dismissed by forcing it to a reporting date which is not consistent with the importance of the issue. For those reasons, I support the motion. It is an extremely important motion. It is important that the community and the groups involved have the time to deliberate and to contribute adequately. That is not allowed under the terms of the reporting time that currently prevail.

Question resolved in the affirmative.

NATIONAL INSTITUTE OF DRAMATIC ART

Motion (by **Senator O'Brien**, at the request of **Senator Forshaw**) agreed to:

That the Senate—

(a) notes that:

(i) the National Institute of Dramatic Art (NIDA) is celebrating its 40th anniversary,

(ii) NIDA has been responsible for training and developing the talents of many actors, directors and other persons involved in Australian theatre, film and television, and

(iii) many NIDA graduates have achieved international success in their profession thus promoting Australian theatre, film and television as a world class industry;

(b) congratulates NIDA on its great contribution to enriching Australia's culture over the past 40 years; and

(c) calls on the Federal Government to continue to promote the artistic talents of Australians by ensuring adequate financial support for NIDA in the future.

NOTICES

Postponement

Motion (by **Senator Allison**) agreed to:

That business of the Senate notice of motion no. 1 standing in her name for today, relating to the reference of matters to the Environment, Communications, Information Technology and the Arts References Committee, be postponed till the next day of sitting.

STAINES, GRAHAM, TIMOTHY AND PHILIP

Motion (by **Senator Harradine**)—as amended by leave—agreed to:

That the Senate—

(a) notes:

(i) the murder on 23 January 1999 of Australian missionary Graham Staines and his sons, Timothy and Philip, in the eastern Indian province of Orissa,

(ii) the beheading of a 46-year old Jesuit priest in October 1998,

(iii) that at least 32 churches and church halls have been attacked since Christmas Day 1998, and further notes other acts of violence against the minority Christian population, including the beating of priests, raping of nuns, burning of bibles and attacks on mission schools and hostels,

(iv) that the Rashtriya Swayamsevak Sangh party has a 3-year target for removing all Christians from India and that the Hindu fundamentalist group Vishwa Hindu Parishad (Hindu World Council) has issued an ultimatum to all Christian missionaries to leave the Nasik in Maharashtra state by 31 March 1999 or face dire consequences, and

(v) that the Indian Prime Minister, Mr AB Vajpayee, and the Indian President, Mr

KR Narayanan, have condemned the murders;

(b) expresses its condolences to Mrs Gladys Staines, her daughter Esther and other relatives of Graham, Timothy and Philip; and

(c) calls on the Indian Government to:

(i) ensure the perpetrators of the murders are brought to justice,

(ii) ensure the safety of Mr Staines' widow, daughter and other Australian missionaries, and

(iii) take every step to protect India's 23 million Christians and the other religious minorities, and put an end to the communal violence and restore religious harmony.

Senator BROWN (Tasmania) (10.17 a.m.)—by leave—I draw the Senate's attention to the lack of opposition to that motion receiving formality. The Labor Party has said that, when it comes to matters relating to foreign affairs, it will deny formality. But it appears that there is a double standard at play here. I believe that such motions should be dealt with through the mechanism of formality because it allows them to come to resolution.

But I must point out that, if the Labor Party is to be selective about which motions dealing with foreign affairs will receive formality, it would be helpful if the opposition would give to the Senate at just what level it cuts off the ability for foreign affairs motions to be brought to the vote. A double standard is occurring here. I would like to know from the opposition where it sets its standards, now that it is quite clear it is not going to have a blanket rule on motions getting formality when they relate to foreign affairs.

Senator O'BRIEN (Tasmania) (10.19 a.m.)—by leave—For the assistance of Senator Brown and the Senate, let me draw attention to comments in *Hansard* of 27 May 1998 from Senator Faulkner on this matter. Quoting from that *Hansard*, Senator Faulkner said:

In cases where there is not unanimous agreement on such motions—

foreign policy motions—

the opposition will not be agreeing to formality.

And later in the same passage, on the same page:

So, unless there is general agreement on such motions, and there are many examples of these—those that might recognise national days and such like, which the opposition does believe it is appropriate for the Senate to support through the mechanism of the granting of formality for notices of motion—we will not be granting formality.

So, particularly for the assistance of Senator Brown, the position has been set out clearly in the *Hansard*. I am sorry if there has been any misunderstanding on Senator Brown's part, but that is the position of the opposition.

Senator Margetts—Yes, we understand!

The ACTING DEPUTY PRESIDENT (Senator Chapman)—Order! Senator Margetts.

Senator Brown—Senator Margetts is right—double standards apply.

Senator Margetts—You're not kidding.

YOUTH SUICIDE

Motion (by **Senator O'Brien**, at the request of **Senator Lundy**) agreed to:

That the Senate calls on:

(a) the Federal Government to reaffirm its commitment to addressing the significant concerns of youth suicide by reinstating the National Youth Suicide Prevention Strategy; and

(b) the Departments of Education, Training and Youth Affairs, Health and Aged Care and Family and Community Services to investigate specific youth strategies aimed at the 15- to 24-year old age group and, in particular, strategies for indigenous youth.

COMMITTEES

Publications Committee

Report

Senator O'CHEE (Queensland) (10.21 a.m.)—On behalf of Senator Sandy Macdonald, I present the third report of the Standing Committee on Publications.

Ordered that the report be adopted.

Environment, Communications, Information Technology and the Arts Legislation Committee

Statement

Senator EGGLESTON (Western Australia) (10.21 a.m.)—I present a statement from the

Environment, Communications, Information Technology and the Arts Legislation Committee on the so-called casualties of Telstra, or CoTs, issue, together with documents received by the committee and the *Hansard* record of proceedings. I seek leave to table these documents and incorporate a statement into *Hansard*.

Leave granted.

The documents and statement read as follows—

STATEMENT TO THE SENATE ON THE CASUALTIES OF TELSTRA (COTS) ISSUE

Introduction

On 16 June 1997, the Senate Environment, Recreation, Communications and the Arts Legislation Committee resolved to hold a public hearing on Telstra's Annual Report with particular reference to progress on the Casualties of Telstra (COT) and related cases. The first public hearing on 24 June 1997 was held pursuant to Senate Standing Order 25(21b), the power to consider Annual Reports in detail. The Committee held a second public hearing on 26 September 1997. During 1998, the Committee held two in-camera hearings on 6 and 9 July.

The self-styled Casualties of Telstra were business people who claimed that inadequacies in their telephone service over a prolonged period, led to a decline in their businesses. The COTs were small business people, single operators or husband and wife partnerships generally operating in service industries.

The issues

The COTs most frequent complaint was that of a calling party receiving a ring tone whilst the complainant who was being called received no indication of the call. Other complaints centred on callers receiving a busy signal or a 'number disconnected' message.

The difficulties they experienced in obtaining acknowledgment and consequent redress of the problems from Telstra had been raised at this Committee's Estimates hearings on a regular basis since 1994.

The original group of COTs comprised 4 claimants. They were Mr Alan Smith, Mrs Ann Garms, Mr Graham Schorer and Mrs Gillan. They agreed with Telstra, on 23 November 1993, to participate in a Fast Track Settlement Proposal (FTSP) developed by AUSTEL. The process never reached a satisfactory conclusion.

In April 1994, AUSTEL released a report on the COT cases, which recommended that Telstra implement an arbitration procedure to resolve a number of complaints as well as those set up in the Fast Track Settlement Proposal. The original four were joined at that stage by another 12 claimants. The Fast Track Arbitration Process (FTAP) then replaced the FTSP on 21 April 1994 for the claimants. The Telecommunications Industry Ombudsman (TIO) was involved with AUSTEL, Telstra and the COT claimants in finalising these arbitration procedures. The process was to be administered by the TIO.

While the arbitration process administered by the TIO had been used by some claimants, others had chosen to pursue their cases in courts of law. Since many of the cases refer to the period when Telstra's statutory immunity to legal prosecution applied (pre-1991) this was an obstacle to court action for some claimants. Under the rules of the Fast Track Arbitration Procedure (applicable to the four claimants listed above) the statutory immunity was waived.

The arbitrations were intended to be speedy and non-legalistic in comparison with court procedures. They featured relaxed rules of evidence. Telstra was to meet the costs of the arbitrator, including the costs of the resource unit established to aid the arbitrator, but not the legal costs of claimants. Of the 16 COT claims brought to the attention of the Committee, 11 have settled with Telstra to date.

The remaining five are Mrs Garms and Mr Schorer from the original four claimants and Mr Honner, Mr Bova and Mr Plowman.

Brief Summary of Claims

Mrs Ann Garms, Tivoli Restaurant and Theatre

Mrs Garms complaints refer to her restaurant in Fortitude Valley, which she claims lost business because her telephone was faulty—constantly engaged. She moved to new premises in the Tivoli Theatre also in Fortitude Valley but claims the problems continued, with customers complaining of engaged signals, 'number not connected' messages and the phone ringing out.

Mr Graham Schorer, Proprietor, 'Golden Messengers'

Mr Schorer claims he experienced power problems and overloads with his flexitel system.

Mr Ross Plowman

Mr Plowman is concerned that there is no end in sight for the arbitration process. Documents relating to his case which referred to maintenance work have been destroyed 'in the normal course of business'. At the time of the first hearing of the Committee, Mr Plowman was concerned with the issue of the neutrality of the arbitrator.

Mr Ralph Bova (Bo'va Enterprises Pty Ltd)

Mr Bova experienced difficulties with his telephone lines between 1988-92. By virtue of those difficul-

ties Mr Bova claims his two restaurant businesses failed.

Mr Anthony Honner

Mr Honner's claims go back for 13 years, for a faulty service to his motel at Stansbury on Yorke Peninsula in South Australia. Mr Honner claims losses to his business because of the faulty service. Mr Honner chose not to use the arbitration process set up by the TIO.

The Committee's public hearing

The witnesses called at the Committee's first hearing included the Minister for Communications and the Arts, representatives of Telstra Corporation Limited, the Telecommunications Industry Ombudsman (Mr John Pinnock) and Mr John Wynack, Director of Investigations, Commonwealth Ombudsman. Representing the claimants against Telstra were Mrs Ann Garms, Mr Anthony Honner, Mr Graham Schorer and Mr Lindsay White who had been an employee of Telstra with knowledge of the technical problems that had been the subject of complaints.

The hearing was intended to focus on the processes involved in Telstra's response to the complaints and in particular on the difficulties experienced by the claimants in obtaining documentation rather than on resolution of individual cases.

The major concerns raised at the hearing included:

The lack of availability to claimants of experienced legal services. As Telstra was using approximately 45 firms to deal with its legal issues, a claimant might not be able to get representation, as there was a perceived conflict of interest.

The number of Telstra people engaged in working on one particular case was of concern as it highlighted the imbalance of resources between claimants and Telstra.

The time and complexity of the arbitration processes.

The problem of claimants not having access to technical advice, therefore making it very difficult to interpret technical reports and documents. Claimants identified this problem of obtaining technical advice as a major inhibitor to their claims. Many technical advisers had been unwilling to 'challenge' Telstra. There were also financial hindrances to obtaining technical advice for some claimants.

The Telstra merged Excel file of all documents regarding the cases was not being provided to claimants in full, or not at all. Claimants did not know which documents to ask for, as they did not know what documents existed.

The issue of documents not being provided to claimants because of reasons of alleged legal professional privilege.

The delay in providing documents under the Freedom of information (FOI) Act.

The cost of defending the claims by Telstra with $18.7 million dollars ($14,285,951 for Telstra's costs and an added $4,446,341 for the costs of arbitration) spent defending claims of $44.5 million dollars, as at 24 June 1997 for the financial years 1993/94—1996/97. The payouts to claimants as at 24 June totalled $1.74 million dollars. These details were tabled at the Committee's hearing on 24 June 1997 and are included in the documents being tabled in the Senate.

Whether there was an instruction given to Mr White, a former Telstra employee, to stop the COTs at all costs.

Difficulties in obtaining Documentation

The reasons for the difficulties experienced by the parties in obtaining documentation were manifold. The claims for documents themselves were complex, with evidence often spanning a decade. The arbitration had not achieved the ideal of being non-legalistic, because of the technical and legal complexity of the claims.

Both the Fast Track and Special Arbitration Rules provided that costs could not be recovered. These rules were agreed to by all interested parties. The claimants knew they had to bear their own costs. The arbitration process ended up being significantly more legalistic than hoped, thus the complainants incurred substantial legal costs.

After these concerns were realised Telstra agreed to make certain ex-gratia payments to those who had obtained an award under arbitration. These ex-gratia costs were seen as part compensation for legal costs.

Most claimants had made extensive use of Freedom of Information (FOI) applications to obtain documents to prepare their claim, rather than seeking documents under the arbitration process. The Commonwealth Ombudsman investigated Telstra's response to requests for information from the COTs under the Freedom of information Act and criticised Telstra's administration of FOI requests.

While the report acknowledges that the task for Telstra involved some 200,000 documents at the time the Ombudsman's report was written, and that the efforts of particular staff to meet deadlines were good, it concludes that the processes adopted in making documents available to the COTs were characterised by defective administration.

The Committee's Working Party:

Following the public hearing on 26 September 1997, the Committee convened a Working Party with a view to facilitate the process involved in the claimants obtaining the necessary documents from Telstra to support the claims they wished to make against that company. The Working Party was

specifically asked to provide the Committee with lists of the documents sought by the claimants from Telstra and regular reports of the progress of the search for documents. Mr John Wynack of the Commonwealth Ombudsman's Office was appointed as Chair of the Working Party.

The Terms of Reference of the Working Party were:

Part 1: The Working Party is to be chaired by a representative of the Commonwealth Ombudsman's Office

Part 2: List of Documents

The Working Party must develop a list ("**List**") of all documents which:

were reviewed by Telstra in the course of preparation of its defence;

were brought into existence after Telstra prepared its defence, but which would in the opinion of Telstra's solicitors have been reviewed by Telstra if it were preparing its defence today; or

were lost or destroyed before Telstra prepared its defence, but which would in the opinion of Telstra's solicitors have been reviewed by Telstra if they had been in existence at the time Telstra was preparing its defence, in relation to the:

arbitration cases

responses to requests under FOI; and

appeals in respect of cases already decided

described in the **Schedule** to these terms of reference, such arbitration cases, FOI requests, appeals, cases and issues are known in these terms of reference as **"Proceedings".**

The documents itemised in the List must include the documents itemised in the Excel files prepared by Telstra in relation to the Proceedings and any other relevant documents not previously provided to parties to the Proceedings ("**Parties**").

The List must be sorted into separate sections, so that all documents in relation to a particular party to the Proceedings ("**Party**") are contained in one section of the List.

3. Telstra must provide written advice, in respect of each Party, identifying the network or networks which were used by Telstra to service the business telephone service of that Party.

4. The List must clearly distinguish between documents which refer to service difficulties, problems and faults of Telstra's network, or of a Party's business telephone services; and documents which do not so refer.

5. The List must clearly distinguish between documents which were provided by Telstra to a party before 26 September 1997; documents which were provided by Telstra to a party on or after 26 September 1997; and documents which have not been provided by Telstra to a Party.

6. The List must clearly distinguish between documents which Telstra claims are privileged; documents which Telstra claims are confidential; and documents which Telstra does not claim are privileged or confidential.

7. Where Telstra claims that a document is privileged or confidential, the description of that document in the List must include a statement of the basis on which Telstra claims that status for the document.

8. Telstra must provide a statutory declaration, sworn by a senior executive of Telstra, declaring that in respect of all documents described in the List which Telstra claims are privileged or confidential, Telstra believes in good faith after making reasonable enquiries that these documents ought properly to be regarded as privileged or confidential, and the reasons for that status are accurately set out in the List.

9. Where a document was lost or destroyed before Telstra prepared its defence, the description of that document in the List must describe the manner in which the document was lost or destroyed.

10. Where the List is required to distinguish between documents in particular categories, the distinctions may be indicated in any manner which the Working Party considers appropriate.

Part 3: Other Sources of Information

1. The Working Party must investigate whether there are avenues not yet explored by Telstra to locate documents which are relevant to the claim of a Party under a Proceeding.

Part 4: Report to the Senate Committee

1. The Working Party must report to the Senate Committee regarding the matters with which it is charged under Parts 1 and 2 of these terms of reference. The Working Party is to report to the Senate Committee no later than Thursday, 27 November 1997.

2. The Working Party must include in its report to the Senate Committee an assessment of the processes used by Telstra in providing information to the Parties and, if the Working Party considers it appropriate, make recommendations as to additional or improved processes which should be adopted by Telstra.

3. The Working Party must include in its report to the Senate Committee recommendations as to whether:

any documents described in the List should be provided to the parties;

documents which Telstra claims are privileged or confidential should be provided to the Parties; and

if the Working Party considers that documents described in the List should be provided to the Parties, the terms on which those documents should be so provided.

Any disagreement which cannot be resolved is to be advised to the Senate Committee in writing by the Chair of the Working Party.

SCHEDULE

Arbitration of dispute between Telstra and Mr Bova.

Arbitration of dispute between Telstra and Mr Plowman.

Arbitration of dispute between Telstra and Mr Schorer.

Appeal proceedings regarding the award in the arbitration of the dispute between Telstra and Mrs Garms.

The proceedings undertaken by Mr A Honner.

Such proceedings as may have been commenced, or actions as may have been taken, under the Freedom of Information Act, to gain access to documents in the possession of Telstra, by Mr Bova.

Such proceedings as may have been commenced, or actions as may have been taken, under the Freedom of Information Act, to gain access to documents in the possession of Telstra, by Mr Plowman.

Such proceedings as may have been commenced, or actions as may have been taken, under the Freedom of Information Act, to gain access to documents in the possession of Telstra, by Mr Schorer.

Such proceedings as may have been commenced, or actions as may have been taken, under the Freedom of Information Act, to gain access to documents in the possession of Telstra, by Ms Garms.

Such proceedings as may have been commenced, or actions as may have been taken, under the Freedom of Information Act, to gain access to documents in the possession of Telstra, by Mr Honner.

As stated in Part 4 (1) of the Terms of Reference, the Working Party was to report back to the Committee by 27 November 1997. The Chair of the Working Party requested and was granted an extension to 18 December 1997 on which date he produced his first interim report to the Committee.

The complexity of the task was great: the difficulty for the parties to specify what documents they wanted, the number of documents requested, Telstra's apparent inability to locate them or to establish and admit that they did not exist, all combined to make it increasingly difficult to bring the exercise to a successful conclusion. The Committee notes that reports on the then Telecom by Coopers and Lybrand (November 1983), AUSTEL, (1984) and the Commonwealth Ombudsman (November 1990) all condemned the company's poor record keeping. These comments are endorsed by Mr Wynack in his final report to the Committee: "I reiterate the opinion I expressed in my reports of 5 November 1998 and 8 December 1998 that it is impossible for Telstra to satisfy all the requests by the Parties. In many cases it is impossible because of Telstra's poor record keeping practices during the periods of the claims and since".

Extensions were requested of the Committee and granted periodically and a number of interim and 'final' reports were produced for the Committee. Each of the Working Party's 'final reports' to the Committee suffered from being incomplete due to the lateness of some of the information provided by Telstra or by one of the Parties by way of 'response'. However, Mr Wynack was confident that progress was being made and both Telstra and the Parties were co-operating with the process. He reported to the Committee in early June 1998 that: "The Working Party has now been in operation for seven months. During that period, Telstra has divulged much information, including documents and the Parties have refined their requests for documents".

There were nevertheless occasional disagreement between some of the Parties and the technical adviser (the Ambidgi Group) and Telstra about the reasonableness of certain requests for documents.

In an effort to clarify the situation, the Committee held two in-camera hearings during 1998 on matters relating to the Working Party, the first with Mr John Wynack on 6 July 1998 to discuss Mr Wynack's report of 5 June 1998 and the second on 9 July 1998 with representatives of Telstra in the presence of Mr Wynack.

At that stage, the Committee resolved to ask Mr Wynack and Telstra for a fortnightly progress report. The announcement of the federal elections of 3 October 1998 intervened to delay matters further.

Conclusion

On 5 November 1998, the Chair of the Working Party reported to the Committee that "almost 150,

000 documents have been provided to the Parties". The Parties informed him that "the process has yielded only between 10% and 15% of the documents which they requested". Mr Wynack went on to say: "The Working Party is now operating in an environment of diminishing returns."

On the advice of Mr Wynack, the Committee asked Telstra to attend to a final and limited number of specific requests (principally from Mrs Garms). Telstra apparently "interpreted" the requests rather than follow them to the letter. In Mr Wynack's final report to the Committee he commented that: "I believe that much of the documentation specified by Mrs Garms would have been created and I am surprised that more of that documentation was not recovered by Telstra. I am concerned that Telstra omitted from the list of requests used during the 'Final Sweep Searches' some of Mrs Garms' specific requests which covered such documentation".

However, Mr Wynack was not convinced that further searches for documents would necessarily be successful: "It is my understanding that the Parties believe that they need all of the documentation that they have requested in order to adequately present their claims. In the circumstances, the Working Party cannot achieve what I consider to be its primary purpose, viz to provide information to the Senate Committee to enable the Committee to form a view as to whether Telstra has granted access to the information the Parties require to support the claims they have made against Telstra".

The Committee has concluded, on the basis of advice that it has received from Mr Wynack that there is no longer any point in continuing the life of the Working Party since it has finally become clear that the documents needed to support the parties' claims are not likely to become available. The Committee has therefore decided to end the Working Party process.

I now table all the documents relating to the Working Party, Mr Wynack's reports to the Committee, the COTs' comments on those reports, Telstra's reports, the relevant Hansard transcripts of evidence and essential correspondence relating to the issue.

Estimates of Telstra's costs in relation to the COTs issue since the claims were made exceed $20 million ($14.285 million to 1997 and rising). Most of the expenditure has been spent, not on settlement but on administrative and legal costs. It became quite clear early in the process that the claimants had in fact been disadvantaged by malfunctions in their telephone system. It is difficult to understand why Telstra appeared to prefer to deny that there was a problem and then prolonged the difficulties in establishing the extent of that problem.

In the Committee's view Telstra should now seek to reach a negotiated agreement with the interested parties.

Senator EGGLESTON—I move:

That the Senate take note of the statement.

Senator MARK BISHOP (Western Australia) (10.22 a.m.)—I want to make a few comments on the Telstra CoT cases report just tabled by the chairman of the committee, Senator Eggleston. The casualties of Telstra review process has been an exceptionally long process, kicking off originally, as I understand it, in 1994 and formally going to the relevant Senate committee in 1997, arising out of matters raised at estimates hearings that year. It is a fairly archetypal Australian story of a large corporation, a $100 billion corporation, fighting a number of individuals over a long period of time.

The casualties of Telecom, the CoT people as they call themselves, are a small group of business people who have alleged inadequacies and failure of phone service over a prolonged period of time, leading to a decline in their business relationships and eventually cash flow and loss of profit of a significant amount. They have alleged that when calling parties phone their business they received a ring tone but the receiving party received no indication of the call. As a consequence of that allegation, if correct, business was unable to be transmitted and conducted and the relevant persons lost opportunities.

The operators were, as I said, business people—single operators, husband and wife partnerships. There were originally some 16 or 17 persons involved in the dispute. Eleven of those matters have been settled over time and there are five outstanding matters that are either in a process of arbitration, in a process of review of a working party established by this Senate or, as I understand it, one or two of the parties are part way through legal processes in the Supreme Court of Victoria.

As I say, the five outstanding claimants essentially allege that poor or non-existent phone services by Telstra or its predecessor in various forms has led to loss of business. In trying to set down and resolve this matter through the working party process, they have experienced a range of problems. There has

been a lack of availability of competent legal advisers around Australia, particularly along the eastern seaboard, to advise these persons because Telstra retains for its legal advice some 45 firms around Australia and along the eastern seaboard. There has necessarily been a huge imbalance of resources that Telstra on one side and the claimants on the other side are able to marshal to advocate their particular cause. The claimants have had lack of resource to a whole range of material of a scientific and technical nature.

In addition, Telstra and its advisers have claimed legal professional privilege on a number of occasions and there have been significant problems with freedom of information processes. In total, I suppose one would say that there has been a long period during which documents and materials have been sought to be discovered or to become available. Telstra, as within its rights, has pursued all necessary legal, technical and administrative processes and procedures to delay resolution of the matter.

In terms of obtaining documentation, a whole range of problems have been brought to the attention of the Senate committee—issues of cost, location, non-retention of documents over time, poor filing systems, loss of corporate memory as employees of Telstra leave the corporation, move to other businesses or simply do not recall matters that occurred or were filed or administered many years ago. The task has involved, we are informed, the release of some 200,000 separate documents—not 200,000 pages, but separate documents. It has been a long process occasioned by many delays.

On 5 November last year, the chair of the working party, Mr Wynack, an employee of the Ombudsman's office, gave a fairly lengthy report to the Senate environment committee as to his progress. His key recommendation was that he was then and is now working in an environment where his efforts were resulting in what he described as diminishing returns. The more he pressed, the more he searched for information, the less relevant or less vital results were being released to him by Telstra. As a consequence, he reported to the Senate committee that there was little or no justification or reason for the working party to continue in existence. Accordingly, the Senate committee asked Mr Wynack to pursue and finalise one or two matters that were still under review with Telstra. He did that. He reported to the Senate committee earlier this week when he was subject to some examination by relevant senators from both sides of the parliament.

Mr Wynack, in his report to the committee, has indicated that 150,000 documents have been provided to the parties. The parties have reported that that only involved some 10 or 15 per cent of documents that were of relevance or assistance. As a consequence, he was unable to be of further greater value into the future. It seems to me that the process of the working party, as is recognised by all persons on that committee, has reached its natural conclusion. Huge amounts of documentation have been sought. Huge amounts of documentation have been provided. Only a relatively modest proportion of that provided documentation has been relevant or of assistance to the five claimants.

Significant issues do arise. I think it is appropriate to refer to the final paragraphs of the committee report. In the second to last paragraph, the report of the committee tabled by Senator Eggleston says:

> Estimates of Telstra's costs in relation to the CoTs issue since the claims were made exceed $20 million ($14.285 million to 1997 and rising). Most of the expenditure has been spent, not on settlement but on administrative and legal costs. It became quite clear early in the process that the claimants had in fact been disadvantaged by malfunctions in their telephone system. It is difficult to understand why Telstra appeared to prefer to deny that there was a problem and then prolonged the difficulties in establishing the extent of that problem.

The final sentence reads:

> In the Committee's view Telstra should now seek to reach a negotiated agreement with the interested parties.

I had a discussion last night with Senator Eggleston and indicated to him that I was quite happy with that form of wording and would be prepared to support it in the chamber. I also indicated to Senator Eggleston, and I put it formally on the record now, that, in my view, whilst this working party process

has now properly come to a conclusion, because it was unable to provide greater value in the future, there is no doubt in my mind from my review of the files that have been relayed to my office and discussions with the secretariat involved with this committee that the number of complainants—that is, five—whose claims are outstanding do have a legitimate cause of action and that their claims should be prosecuted and finalised.

If fault is to be allocated at this very early stage of the final lap, that fault lies at the door of Telstra. It really is appropriate for Telstra, a $100 billion corporation, to stop using its monopoly power, to stop retaining the services of dozens of highly paid solicitors and to come to the table and to seek to reach a negotiated agreement with these four or five persons. It is simply outrageous that Telstra, which is still a public corporation, can spend something in the order of $20 million—

Senator Boswell—Some $24 million.

Senator MARK BISHOP—I am informed by Senator Boswell it is $24 million—defending a claim when the claim before it is somewhere between $2 million and $4 million. This is simply an outrageous proposition and a waste of public money.

Senator Alston—The $2 million to $4 million is a total of all the—

Senator MARK BISHOP—The $2 million to $4 million is outstanding, as I understand it, Senator Alston. It was more for the original claim, but the original claims have been satisfied. *(Time expired)*

Senator BOSWELL (Queensland—Leader of the National Party of Australia in the Senate) (10.32 a.m.)—Today we are discussing the report of the Senate working party of the Environment Communications, Information Technology and the Arts Legislation Committee. The Senate working party represents the latest method to access Telstra network documents for CoT members in their epic dispute, including arbitration, with Telstra. It has been a dispute over 15 years in relation to the inadequate telephone service provided to their businesses by Telstra. To pursue their claims they have needed network documents which were solely in Telstra's possession. Over many years in attempting to obtain these documents from Telstra there have been many reports, all highly critical of Telstra's conduct in non-delivery of the documents.

In 1993 Austel reported that Telecom was less than a model corporate citizen, with Telecom admitting at the time:

> It is of little or no bearing on the case that some of the testing has been purged from the system because we do not require these records to be convinced that this customer has serious concerns with her telephone service.

Backing up Austel was the Coopers and Lybrand report which found that Telstra's external communications featured inappropriate conclusions, inaccurate statements and evasive responses causing customers and external parties to be misled. I seek leave to table a series of documents.

The ACTING DEPUTY PRESIDENT (Senator Murphy)—Is leave granted?

Senator Carr—Can we see what they are?

The ACTING DEPUTY PRESIDENT—Senator Boswell, there is a request to see the documents. If we can get the documents circulated, we will come back to it.

Senator BOSWELL—In a letter dated 9 November 1993, Telstra threatened:

> I believe that it should be pointed out—

this is a threat to Coopers and Lybrand—

> that unless this report is withdrawn and revised, that their future in relation to Telecom may be irreparably damaged.

If that is not commercial thuggery, I do not know what is. There has also been a finding by the Commonwealth Ombudsman into defective FOI. That states:

> In my opinion, the effect of applying the restrictive interpretation was to withhold information from Mrs Garms.

With CoT members continually being denied the support of network documents to progress their dispute, when a Senate inquiry was mooted in 1993 Telecom quickly agreed to a fast-tracked settlement procedure signed by Telstra and four CoT members at the instigation of Senator Alston, me and the then Labor government. But Telstra had other ideas—that

is, to force CoTs into an over-legalistic arbitration process based on documents. Telecom's e-mail from Steve Black between the highest levels of Telecom reveals:

> Whilst at a personal level I am of the view that we should walk away, I do not believe that this option suits Telecom's wider strategy in that it would appear to lead directly to a Senate inquiry. My course therefore is to force Gordon Hughes (the arbitrator) to rule on our preferred rules of arbitration.

The CoTs very reluctantly agreed to what was become an impossible nightmare—an over-legalistic, unequal arbitration process based on quick access to documents with the promise that arbitration would be fast-tracked, non-legalistic and would deliver the much needed network documents under the arbitrator's directions.

Forcing things to go Telstra's way has been their way ever since. Important network documents were withheld. Despite the arbitrator's directions, one CoT, Mrs Garms, had to go through her arbitration without the necessary network documents. When another CoT member, Graeme Schorer, refused to proceed with arbitration because he did not have the documents, Telstra took him to the Supreme Court to force him to proceed.

For the first time, on the day of her arbitration decision Mrs Garms received a document foreshadowing modernisation and restructuring of the Brisbane metro exchange. During the arbitration, another CoT member gave Ann Garms a document showing major works in her exchange. Documents obtained through the Senate recorded that the Mitchelton exchange was re-parented onto the Fortitude Valley on 12 September 1993. The next day Ann Garms's call rate increased by 212 per cent and other major works were performed prior to 12 September 1993 in Brisbane metro.

But it was all too late—Telstra had told the arbitrator in their principal defence document:

> The network servicing the Tivoli immediately prior to the commencement of 13 September 1993 was precisely the same as the network that was servicing the Tivoli during the period between 13 September and 9 October 1993.

Yet, documents obtained through the working party reveal that this statement was untrue. The documents record major works in the Valley exchange leading up to a reparenting on 12 September 1993, plus data change notes recording major network changes and upgrades. Mr Acting Deputy President, this is all in the documentation that Senator Kim Carr is looking at at the moment.

Telstra's Steve Black gave a statutory declaration to the arbitrator stating 'there was no major exchange work carried out in the Ley exchange.' Peter Gamble of Telstra, in a statutory declaration, said, 'Further, the major upgrade did not take place'. All this was untrue. The vitally important resource unit to the arbitrator then concluded:

> Officers of Telecom inform me that the major upgrade referred to by Close simply did not occur and that there was no major or unusual work undertaken at that time which would have affected the Tivoli's phone service.

Accordingly, the arbitrator decided:

> Telstra denies a major upgrade of the Fortitude Valley exchange occurred in September 1993 and therefore the claim is fundamentally flawed to the extent it seeks to derive support from this event.

This is from document 7. Consequently, Mrs Garms lost and had to invest heavily in a Supreme Court appeal which she also lost as it was based on only pre-existing documents. Telstra had withheld the documents which detailed the major works whilst denying the major works and upgrade under oath in the arbitration. The Senate committee intervened, forming a Senate working party under Mr Wynack of the Commonwealth Ombudsman's office specifically to obtain for the CoTs the relevant network documents which Telstra had refused to supply. It lasted 16 months and involved Telstra spending around $2.5 million with 21 full-time Telstra members working on it, adding to Telstra's total costs spent on CoTs of $24 million.

To settle any disputes, communications experts Ambidji examined the CoTs' requests and found the majority were 'reasonable'. The committee chair, Senator Patterson, ruled Ambidji conclusions must be complied with. Document search lists were drawn up with great consultation and detail at Telstra' s insistence. Yet on 10 February 1999, 15 months later, Telstra, in Mr Levy's letter, said they had searched without specific reference

to Mrs Garms's submissions—and there are no such lists of document searches for the other four. To compound this unilateral change of the agreed process, Mr Levy and Mr Benjamin of Telstra told the Senate estimates that 'Mr Wynack would have had knowledge of this.' Mr Wynack responded in two strong letters refuting it as 'incomprehensible' and an 'extraordinary development'. His final report, tabled today, contains several pages titled 'Misrepresentation of the parties requests during the "final sweep searches,"' concluding:

What I thought was a transparent process agreed by the parties has turned out to be a process subject to unilateral amendment by Telstra.

Telstra are still withholding the most important network documents. Mr Wynack has said, 'There is plausible evidence that Ericssons would have documentation' and that he believes much of the documentation specified by Mrs Garms would have been created. Further, going to the core of the dispute of bad service, he concluded that he believes:

The parties have provided what I consider compelling evidence that significant works were planned and probably undertaken during the period covered by Mrs Garm's requests of a major upgrade.

Documents provided through the working party reveal major works in the Valley exchange, the reparenting of 14 nodes onto the Valley exchange and Brisbane metro.

Mr Acting Deputy President, I seek leave to incorporate the rest of my speech as I am going to be pressed for time.

Leave granted.

The ACTING DEPUTY PRESIDENT (Senator Ferguson)—There is also the question with regard to the documents you sought leave to have tabled. Is leave granted?

Leave granted.

The speech read as follows—

But for the long suffering COTS—it is too little too late!

Documents far too late for the expensive arbitration and subsequent Supreme Court appeal of Mrs Garms. These small business peoples lives have been virtually destroyed by Telstra's heavy handed and powerful actions, all paid for out of the public purse, with seemingly no accountability.

Telstra by deliberately withholding documents has put their customers into a financially and emotionally crippling process—over all these years Telstra have continually defied all authorities critical reports by continuing to not disclose documents.

In similar fashion we now find they have omitted the most important Senate working party document requests and defied the Senate working party.

Their conduct is to act as a law unto themselves—more of those 'bully boy' tactics spoken of in yesterday's Financial Review editorial.

They have now defied the Senate.

There is a rule in Washington that no building can be higher than the parliament—I want to remind Telstra—they are not bigger than the Australian parliament and the Australian people it represents.

COT members cannot be put through more—this report concludes no more documents will be forthcoming—the working party is now closed.

COT members deserve a final resolution to their nightmare—I support the findings of this report and urge a final solution now—by means of an independent assessment.

To meet the commitment given by the Labor Government, Senator Alston, myself and the TIO at the beginning of their arbitration—of fairness and justice through a fast track non legalistic process.

And as a stop to the spending of over $24 million of taxpayers money on denial, refusal and deception in relation to Telstra's obligation to deliver up documents—instead these brave small business people have had their lives, businesses, peace of mind and assets destroyed by the many times proven misconduct of Telstra.

Senator CARR (Victoria) (10.42 a.m.)—I support the remarks of Senator Bishop and Senator Boswell. This is an issue that I have been concerned with for some time. I became involved with this matter as chair of the communications committee of the Senate where the matter was brought to my attention. I have subsequently maintained my interest in this question as a result of representations from Mr Graham Schorer, who is here today in the gallery, and other constituents of mine in Victoria as well as constituents that have moved from Victoria to Queensland. They have made representations to me concerning what they believe to be very substantial economic loss which has led to significant disruption of their lives to the point of great economic distress for them and their families.

I would also draw to the attention of the Senate and to the minister, who I note is in the chamber and who I am pleased to see is paying great attention to these matters, letters that he wrote on 28 October 1993—bearing in mind that this is a dispute that began about the middle of 1992. Senator Alston, who was the shadow minister for communications in 1993, wrote to Mr Robin Davey, Chairman of Austel, that he thanked him very much:

> . . . for the opportunity to explore the implications of the latest proposals for resolution of the COT Case complaints and to put in place an appropriate process to deal with future complaints.

He said:

> As I understand the proposal it would be based on the UK model. The process would be managed or facilitated by the Telecommunications Industry Ombudsman, who would then contract out arbitration responsibilities to one of a panel of arbitrators for each of the claims in order to enable all matters to be dealt with as expeditiously as possible.
>
> Both sides would then put written material before the arbitrator who would then hand down a judgment without taking submissions or hearing evidence. The UK experience suggests that complex cases can take up to three months before a decision is handed down but it could be anticipated that these matters would not take that length of time.

Here we are in 1999 still without enormous progress being made and with claims, as I understand it, still outstanding, according to Telstra's own records, of $13.8 million dollars from Messrs Schorer, Bova and Plowman, not to mention the very large number of persons that had been forced into an arbitration process and have been obliged to settle as a result of the sheer weight that Telstra has brought to bear on them as a consequence where they have faced financial ruin if they did not settle—and I speak particularly of some of the cases that I have had to deal with, so I have some direct knowledge of these matters. Senator Alston went on to say in his letter that he was in favour of the proposal but:

> . . . the Opposition would reserve the right to consider the establishment of a Senate Select Committee if AUSTEL's report raised matters of serious concern regarding outstanding problems or if the there is evidence to substantiate the persistent complaints made by COT Case members, particularly Mr Schorer, of "misleading and deceptive conduct" on the part of Telecom.

I would have thought that now, after all these years, Senator Alston, your concerns would have sufficient weight based on the evidence that we have seen before us and that, frankly, a Senate select committee would not be necessary; that you as minister, in view of the enormous interest that you have shown on this question and the commitments that you have made in writing, ought to be able to intervene to resolve this question once and for all. I would have thought, given the powers that you have as minister, you would have been able to intervene in a productive manner to produce results which, of course, would allow for the resolution of these questions in an appropriate manner—and I would suggest, quite frankly, given the evidence that I have had before me, in favour of those complainants.

The report that we have before us is a result of the actions of the Senate committee more recently in the latest round of course goes to the fact that Telstra has continued what could only be described as 'misleading and deceptive conduct' in this matter. I do not think there is any fair interpretation which would not lead you to that conclusion. Of course Mr Wynack says in his correspondence to us:

> In my opinion there is no scope for Telstra relying on the 10 August 1998 meeting to unilaterally vary Mrs Garms' requests.

Which is, of course, at the core of the current problem that Telstra sought to enter into this process—which Mr Wynack says that he believed would be a transparent process agreed by the parties—and they turned that process, in the view of Mr Wynack, into a 'process subject to unilateral amendment by Telstra'. Frankly, that is just not good enough. I have had discussions with Telstra officials on this matter and I have advised them that, as far as I am concerned, that I am going to continue to press these issues within the forums available to me to defend the constituents that have come to me expressing their grave concerns about the way in which they have been treated, because this goes to some very basic questions about the corporate behaviour of our major publicly owned corporation.

I make the point that I strongly support this company remaining a publicly owned corporation because I think it provides us with an opportunity which would not be available to citizens of this country if these events had actually been undertaken by Optus or any other carrier. They would not be able to undertake these sorts of processes. There would not be a debate in this chamber of this gravity if it was not for the fact that Telstra is a publicly owned corporation. That at no time excuses the behaviour of the management of Telstra on these questions, but what it does indicate is the capacity of this parliament to draw these matters to public attention and ensure that there is an appropriate corporate responsibility taken and that appropriate actions are taken by this parliament to defend the civil liberties of citizens, because at the core that is what this is all about.

There may well be an argument that the parliament should not be intervening in terms of a financial dispute between parties which are involved in various legal processes. I have never ever made a comment on the question of the financial settlement. I do not see that that is the role of members of parliament. What I do make a comment on is the question of civil liberties and the rights of citizens to approach this parliament and seek redress for their grievances when corporate power, particularly in a publicly owned corporation, has been abused. And there can be no question that that is what is at the heart of this issue.

But there is, of course, another very important issue at stake here, and that is, when it comes to the question of Telstra's financial responsibilities, the people that it has injured. I understand the case that is being used now in this particular matter, the precedent that is being set, is that workers being affected by asbestos who are seeking redress as a result of the actions of Telstra over years in terms of its use of asbestos are having the same sorts of devices used against them, because suddenly we discover that Telstra's records are so bad that they cannot fulfil their responsibilities to their workers in terms of complaints that are being made about injury and ill health and occupational safety. They cannot tell who was used in the way that has now led to the cases were workers are being killed by the actions of the operations of this particular company.

So it is not just a case of these particular individuals, who in themselves have a grievance and ought to be satisfied, it is also the implications that flow from this case about the way in which this corporation is to treat to citizens of this country. I come back to the point that it is up to the parliament to pursue these cases, and I say it is up to the minister personally to be involved in the resolution of these cases. I know that when Senator Collins was the minister and when Mr Lee was the Minister for Communications and the Arts they sought to get redress. They sought to intervene and behave properly at all times.

But we also know, in the way in which telephone lines were tapped, in the way in which there have been various abuses of this parliament by Telstra—and misleading and deceptive conduct to this parliament itself, similar to the way they have treated citizens—that there has of course been quite a deliberate campaign within Telstra management to undermine attempts to resolve this question in a reasonable way. We have now seen $24 million of moneys being used to crush these people. It has gone on long enough, and simply we cannot allow it to continue. The attempt made last year, in terms of the annual report, when Telstra erroneously suggested that these matters—the CoT cases—had been settled demonstrates that this process of deceptive conduct has continued for far too long. *(Time expired)*

Senator SCHACHT (South Australia) (10.52 a.m.)—I rise to speak to this statement tabled today from the working party of the Senate Environment Communications, Information Technology and the Arts Legislation Committee—a committee I served on in the last parliament—that dealt with the bulk of this issue of the CoT cases. In my time in this parliament, I have never seen a more sorry episode involving a public instrumentality and the way it treated citizens in Australia. I agree with all the strong points made by my colleagues on both sides who have spoken before me on this debate. What was interesting about

the Senate committee investigating this matter over the last couple of years was that it was absolutely tripartisan—whether you were Labor, Liberal or National Party, we all agreed that something was rotten inside Telstra in the way it handled the so-called CoT cases for so long.

The outcome here today is sad. There is no victory for citizens who have been harshly dealt with by Telstra. I accept the recommendation of the committee—of which I am no longer a member—that there is now no further point in the working party continuing, but when you read their statement you can only say that it is not a victory for Telstra that the working party has wound up its work, that the committee has recommended it not continue. When you read the statement and the letter from Mr Wynack himself you would say that there were still grave problems within Telstra in its handling of this issue.

This particular episode is absolutely a reason why this parliament should never give in to the requests from Telstra management that they no longer appear and justify their actions before the estimates committees of this parliament. On two occasions, I think, in 1998 we had approaches from Telstra that they be exempt from having to appear before the Senate estimates committee four times a year. The committee rejected it unanimously and told the minister to tell Telstra that we would expect them to turn up and answer questions. We also expressed our disappointment that Mr Blount, the chief executive at the time, refused to appear before any Senate committee dealing with Telstra. On a number of occasions we wrote to him saying that it would be in his interests and Telstra's interests if he turned up. He refused. Fortunately, in that sense, he has now finished his term with Telstra and is no longer the chief executive.

The new chief executive is Mr Ziggy Switkowski—an outstanding Australian with a very good track record. I was delighted that the board appointed Mr Switkowski to the position of chief executive. I think he has an excellent track record in Australia as an Australian CEO. But I would say to Mr Switkowski that he would do his own reputation and Telstra's reputation immeasurable good if he would occasionally appear—at least on an annual basis—before the Senate estimates committee dealing with Telstra, and not take the arrogant attitude of Mr Blount, who I think did not undersand the Australian parliamentary system at all. That is one of the disadvantages of being from another country. I also believe that Mr Blount did not play a useful role in resolving the CoT cases. I think some of the pressure put on management not to fix these issues came from the very top of the company under Mr Blount's managership.

We had the most extraordinary episode two years ago when Mrs Garms won a settlement in the court and was awarded, I think, several hundred thousand dollars. It was agreed by the arbitrator, by the court, that she should be paid this money but, because she quite rightly reserved on another aspect to continue another court action, Telstra refused to pay her the money. Even the minister wrote a letter to Telstra saying, 'I think you should pay the money.' Telstra said, 'No, minister, we ain't paying it.' It took a public hearing to embarrass Telstra into ultimately paying Mrs Garms some money.

I thought the minister on this particular occasion—as I said after the hearing—was gutless. Here he was being told by the management of Telstra, 'Go jump; we ain't taking any notice of your letter or of the court or of the arbitrator saying that Mrs Garms should get her money.' This was Telstra's tactic of trying to starve her and all the other CoT cases out. This is one example—as I said on the record at the time—where the minister should have used his power of direction to tell Telstra to pay the money forthwith to Mrs Garms as agreed in the court case.

This parliament has to be absolutely rock solid on insisting: one, that the power of ministerial direction is maintained even if the present minister is gutless and will not use it; and, two, that we should always maintain the Senate estimates committees. If we had not had the Senate estimates committee using the device of inquiring into the CoT cases under the annual report we would not have brought to light all of the injustices that have occurred in these cases.

What came out that is astonishing is that Telstra have spent $24 million, most of it on hiring various lawyers in this country. I think at one stage they told us that they have something like 40 law firms in Australia on retainer. That means that if you try to find anybody in the legal profession who has any knowledge about handling telecommunications issues, you cannot hire them because Telstra have them on a retainer. If anybody shows an interest, Telstra take them on a retainer, and no-one is available to help defend you against—as Senator Alston in a previous incarnation described it—'the 600-pound gorilla'. But he never did anything to try to tame the gorilla in this particular case; he ran away from it.

So Telstra spent $24 million—at the time we asked the question it was $18 million—on legal fees, overseeing the payout of $1.8 million to various CoT cases. The lawyers made an absolute killing, and Telstra were willing to do it. Telstra then responded that the total claim of all the CoT and associated claims was $44 million. They have spent $24 million so far on defending $44 million. Five or six years ago they could have settled this case for half the legal costs they then paid. I am sure the CoT cases would have accepted a payment in total between them of $5 million, $10 million or $12 million—half of what Telstra spent on legal fees. But this arrogant organisation, under the leadership of Mr Blount and other senior managers, refused to negotiate and used every device to starve the CoT cases out.

Mr Wynack, in his final report, still says there was a problem with getting information. He says on the last page of his letter to the committee:

> In many cases, it is impossible—

that is, to get the documents—

> because of Telstra's poor record-keeping practices during the periods of the claims and since.

Telstra's main defence now is that the records are not good enough, and that is costing the CoT case people. What are Mr Switkowski and senior management going to do about improving the record keeping of the biggest company in Australia? This is an indictment on Telstra's senior management. They cannot keep records for their customers. Their own defence now is that they have been lost and, 'Therefore, we can't give you any information that may help you in your dispute.'

Senator Carr—It's a bit too convenient.

Senator SCHACHT—It is a very convenient excuse. I want to take this opportunity to congratulate Mr Wynack for his work—under considerable frustration with the way Telstra acted on a number of occasions. The work he did on behalf of the committee is excellent, and it should go down on the record that as a member of the committee I appreciate his work. He could have easily decided a long time ago that this was all too difficult and frustrating. He stuck at it because he thought there was a case for justice for the CoT cases and for other people taking on Telstra on this issue.

As I said at the beginning, this is one of the sorriest examples of corporate mismanagement in Australia's history—not because the loss of money compares with some other scoundrels' activities, such as Mr Bond and Mr Bell, but because of the way they have dealt with individuals. Like other members on my side, I support public ownership of Telstra. As Senator Carr said, if Telstra had been fully privately owned, the CoT cases would not be before the Senate. We will use our opportunity to examine Telstra and force an outcome.

That is one reason why I oppose privatisation—a company that is a near monopoly for most Australians must stand before the Australian parliament and answer questions about what they are doing. If not, they will run roughshod over ordinary citizens forever and a day and use their enormous financial power to starve the citizens of Australia out. *(Time expired)*

Senator ALSTON (Victoria—Minister for Communications, Information Technology and the Arts) (11.02 a.m.)—Everyone in this chamber who has spoken on this matter is in heated agreement that it is a very sorry episode, and I think it does constitute a dark stain on Telstra's corporate image. Senator Carr reminded me of what we set out to achieve back in 1993, and I acknowledge that Senator Boswell has been the prime mover in

ensuring that this matter remains under proper scrutiny. We both took the view that this was to be a fast-track procedure. If, by that, we fondly thought it would all be disposed of within three months, then clearly we have been sadly disappointed.

It also does seem to be very clear, given the grotesque imbalance of resources between the contending parties, that Telstra has taken a strategic decision that it will deter future litigants by making it abundantly plain that no-one could ever expect to reach a quick or cheap resolution of any dispute, certainly where matters are complex, and that money is effectively no object. Spending $24 million on legal expenses is simply impossible to comprehend for most people.

I have had a brief opportunity to look at what Mr Wynack has had to say, and there are a number of matters that do give grounds for serious concern. He does take very strong issue with attempts on the part of Telstra to suggest that he condoned the process of putting documents to Telstra employees in a form other than as agreed upon at meetings of the parties. That, in itself, raises concerns about Telstra's good faith on the issue.

Whilst I think we all acknowledge that we are neither capable nor competent to make judgments about the ultimate merits of the matter, we are in a position to carefully consider the procedural fairness elements of the process, and Mr Wynack draws our attention to a number of matters that are of very serious concern. The matter in particular that I am concerned about, and the matter which I will be writing to Telstra about, is in relation to a network exchange document. I have not yet had the opportunity to go fully through all of the detail—I am sure we all understand what sort of a task that is; you do not do it while the parliament is sitting because you need a period of hours to really get your mind around the minutiae—but, as I understand it, the basis of the cause of action on at least the part of Garms relates to whether the Fortitude Valley exchange was subject to any significant upgrading. Telstra's consistent position has been that it was not—that there may have been overall improvements being made to the network around Australia but there was nothing special about this exchange.

Again it would seem that a document has subsequently come to light—by that, I mean subsequent to the conclusion of the arbitration hearings but not subsequent to any appeal process being exhausted—that does concede that there was a significant upgrade. If that is a document vital to the original cause of action, then it does seem to warrant very careful consideration being given as to whether it would justify a reopening of the arbitration or whether it ought to be a matter to be considered by an appeal court.

I say those matters only by way of preliminary impression, but I will be taking the opportunity to go through this matter in some detail and at least attempt to make a preliminary judgment on whether that is the case. If it is the case, then I will be saying that to Telstra and indicating that I do not think it is appropriate that the matters be finally concluded until there has been an opportunity for the lawyers to consider whether that is likely to be a matter that would justify a reopening. Certainly my recollection is that where there are matters and circumstance that come to light after a case which would be likely to fundamentally alter the basis on which a judgment is given, then you are entitled to reopen the matter. So in this instance that is one particular matter that I will be giving careful thought to.

I am concerned about the tone of Mr Wynack's report. He seems to end up where a lot of people end up when they have had a look at these things. They have an acute sense of frustration about the process because, as we all know, it is very easy to exercise your legal rights to ensure that matters are exhaustively examined, but it just happens in the process that you will string matters out to a point where the other side simply finds it impossible to keep up. I know from my own experience in practice some years ago that that is not an uncommon technique. I would be very surprised if it is not still employed today.

The idea of Telstra releasing mountains of documentation, the vast bulk of which is probably not strictly relevant to the immediate

cause of action but which is designed to overwhelm and basically exhaust the patience and the pockets of litigants, is what I think we would regard in the Public Service arena as being a classic snow job. Again it does concern me that Telstra does appear to have adopted every available legal stratagem designed to have the parties collapse under a mountain of documents and at the same time it takes every opportunity to withhold other documents for a whole range of reasons that can always be advanced. They then have to be tested and judgment has to be passed on them. In the process you have managed to string out proceedings inordinately.

I simply say that that is a practice that I have encountered in the private sector. I am not competent to pass judgment on whether it has occurred here, but the end result is one with which I am quite familiar. In those circumstances, I want to be satisfied that we have done as much as we can do before the matter is finally put to rest. I know that a number of the CoT cases themselves have reached the point of virtual obsession where this dominates their lives—

Senator Schacht—Through no fault of their own.

Senator ALSTON—I am again not competent to judge that. I do not know—

Senator Carr—If they hadn't, they would have collapsed a long time ago.

Senator ALSTON—All I am saying is that it may well be that you will never get any satisfied customers out of this process. I know it occurs in personal injuries cases, that by the time you have awarded mammoth amounts people are so overwhelmed by the process they have been through they can barely think straight. All I am saying is that we should not think that somehow there is an easy way of cutting through this that will satisfy the CoT cases because we may have passed the point where they were going to be capable of satisfaction in this life. Having said all that, I do think we have an obligation to do our best collectively. I think there is a will on all sides of the chamber to make sure that at least we have done what we can do. I will be pursuing the matter further.

Senator Schacht—Direct Telstra to fix it and you can fix it very quickly.

Senator ALSTON—Quick fixes are not easily discovered.

Question resolved in the affirmative.

Public Accounts and Audit Committee

Report and Finance Minutes

Senator COONAN (New South Wales)—On behalf of Senator Gibson and on behalf of the Joint Committee of Public Accounts and Audit, I present report No. 365—annual report 1997-98, and seven Finance minutes responding to the committee's reports Nos 355, 357 to 361, and 363. I move:

That the Senate take note of the documents.

I seek leave to incorporate my tabling statement in *Hansard*.

Leave granted.

The statement read as follows—

REPORT 365

This year has been of historic significance for the Committee, reflected in the changes to its Act, its title and range of responsibilities.

Sweeping changes to the Commonwealth's financial management and accountability legislation, much of which was foreshadowed by the Public Accounts Committee in a series of reports tabled since 1994, have resulted in the Committee taking on an enhanced role as Audit Committee of the Parliament. As the Joint Committee of Public Accounts and Audit, the Committee stands as a mediator between the Auditor-General and executive government, and supports the independence of the Auditor-General on behalf of the Parliament.

In specific terms the Committee does this by reviewing the appointment of the Auditor-General and Independent Auditor and by considering and reporting on the budget estimates of the Australian National Audit Office. In its role as Audit Committee of the Parliament, the Committee invites and considers suggestions for performance audits from all Parliamentary Committees before advising the Auditor-General of the Parliament's audit priorities for the coming financial year.

The Committee has pursued a number of important matters in inquiries during 1997-8. The report on the Jindalee Operational Radar Network underlined the Committee's concerns at the Department of Defence's continued failure to reform fundamental contract management and risk management issues arising from complex, long term projects.

The Committee continued its work in support of the restructure and simplification of the *Income Tax Assessment Act* 1936, reviewing the third tranche of the legislation covering the capital gains tax provisions in the Advisory Report on the Tax Law Improvement Bill No. 2, 1997, tabled on 12 March 1998.

Taxation issues were also given thorough consideration by the Committee in its ground breaking exploration of the relevant issues arising from the burgeoning growth of Internet commerce, tabled on 24 June 1998 as, *Internet Commerce: To Buy or Not to Buy?*

The Committee's long standing interest in the issue of public sector administrative reform was reflected in the *Advisory Report on the Public Service Bill 1997* tabled on 29 September 1997. The Report was a unanimous one in the tradition of the Committee and produced practical suggestions for the amendment of the legislation, which were accepted by the Government. In addition, the four *Quarterly Reviews of Auditor General's Reports* in which a range of matters related to aspects of project management and contract management across agencies were an indication of the Committee's exercise of its scrutiny role with respect to executive government.

I would like to take the opportunity to draw attention to the contribution of my predecessor, the Member for Fairfax Mr Somlyay to the work of the Committee. Under his stewardship the Committee carried out with distinction its scrutiny role—both in respect of the Bills referred to it, and also with regard to key departments of Executive government such as the Department of Defence.

FINANCE MINUTES FOR REPORTS 355, 357, 358, 359, 360, 361 AND 363

Report 355

Aboriginal Councils and Torres Strait Island Councils: Review of financial accountability requirements.

The first Finance Minute refers to Report 355 ***Aboriginal Councils and Torres Strait Island Councils: Review of financial accountability requirements.*** This report was the result of an inquiry conducted jointly by the JCPAA and the Queensland Public Accounts Committee.

The Committees made 19 recommendations of which thirteen addressed cross-jurisdictional issues and six related solely to Queensland agencies.

The Queensland Government responded on 22 May 1998 and a *Finance Minute* providing the Commonwealth response to administrative issues was received on 12 August 1998.

The Finance Minute contains responses to twelve recommendations. Commonwealth agencies ATSIC and the Department of Health and Family Services provided positive responses which are comprehensive, practical and easily actioned and will streamline and improve grant administration and accountability.

Report 357

The Jindalee Operational Radar Network Project

The Finance Minute indicates the directions of remedial action undertaken by the Department of Defence and Telstra with respect to significant shortcomings in risk management, the management of intellectual property rights, and project management, and also deal with Telstra's sub-contracting of further technical work on the project to RLM.

With respect to the specific responses to recommendations of the *Jindalee Operational Radar Network Project* Report, the Department of Defence has agreed to all of the Committee's seven recommendations without qualification and has taken steps to address by means of administrative reforms, all of the issues contained in them.

Report 358

Review Of Auditor-General's Reports 1996-97 Third Quarter

Report 358 reviews four of the seven audit reports presented by the Auditor-General in the third quarter of 1996-7. The subjects of the four reports were:

Client service in the Australian Taxation Office; Customer service in the Department of Social Security; the recovery of the proceeds of crime; and the Army presence in the North.

The JCPAA made three recommendations. The Finance Minute indicated agreement, or agreement in principle, with all recommendations.

Report 359

Review Of Auditor-General's Reports 1996-97 Fourth Quarter

The Committee made six recommendations, five of which were directed to Defence and one of which was directed to the Department of Environment and Heritage and Agriculture Fisheries and Forestry.

The *Finance Minute* providing the Commonwealth response to the recommendations was received on 4 January 1999.

Defence and the Department of Environment and Heritage and Agriculture Fisheries and Forestry provided positive responses to five of the six recommendations. The Committee is currently pursuing further details relating to the outstanding recommendation.

Report 360

Internet Commerce: To Buy or Not to Buy?

The report addressed issues concerning the framing of an effective domestic and international regulatory environment that will encourage the growth of internet commerce. The report focussed on the effects of internet commerce on Australian small and medium enterprises, the operation of the customs screen free limit, the privacy regime, the administration of the tax system and the implications for the existing tax base of the rapid growth in internet commerce.

The JCPAA made 17 recommendations and the Finance Minute addresses seven of these indicating agreement with all of them. A Government response to policy matters raised in the remaining recommendations is being coordinated by the Treasury.

Report 361

Review of Auditor-General's Reports 1997-98

The Committee's Report 361 examined *Audit Report No. 5, 1997-98, Performance Management of Defence Inventory, Department of Defence* and *Audit Report No. 10, 1997-98, Aspects of Corporate Governance, The Australian Tourist Commission.*

The report made eight recommendations, four directed to the Department of Defence, and four to the Australian Tourist Commission. Both Departments responded positively to all of the recommendations.

Audit Report No. 10 into the Australian Tourist Commission (ATC) canvassed the extent to which the ATC was meeting all of its statutory objectives, as part of its corporate governance framework.

The Committee made three recommendations designed to improve the planning processes of the Commission. The Australian Tourist Commission responses indicate that the Commission has accepted the Committee's recommendations and has proceeded to implement them. One of the recommendations made by the Committee related to Government policy and will be addressed by the Minister for Industry, Science and Resources in a separate response.

Report 363

Asset Management by Commonwealth Agencies

The Committee's report into asset management was tabled on 15 July 1998 and contained three recommendations. A *Finance Minute* providing responses to these recommendations was received by the secretariat on 11 February 1999.

The *Finance Minute* was prepared by the Department of Finance and Administration in consultation with the Australian National Audit Office, the Public Service and Merit Protection Commission and Department of Prime Minister and Cabinet.

The Committee's recommendations were in general supported by the agencies providing comment, including the recommendation for the establishment of an asset management forum.

Question resolved in the affirmative.

Rural and Regional Affairs and Transport References Committee

Reference

Senator MACKAY (Tasmania)—I seek leave to move business of the Senate notice of motion No. 3 standing in my name in an amended form.

Leave granted.

Senator MACKAY—I move:

That the following matter be referred to the Rural and Regional Affairs and Transport References Committee for inquiry and report by 24 June 1999:

The circumstances surrounding the decision by the Civil Aviation Safety Authority (CASA) to suspend the Class G airspace trial, with particular reference to:

(a) the appropriateness of the conduct of CASA, Bureau of Air Safety Investigation (BASI), Airservices Australia and Royal Australian Air Force (RAAF) personnel in relation to the Class G airspace trial;

(b) whether any attempt was made by airline personnel to exert improper influence over the decisions of CASA, BASI, Airservices Australia or the RAAF in their decisions and actions regarding the Class G airspace trial; and

(c) any other matters the committee considers relevant.

I would like to take the Senate through what has happened in relation to this. It has been a bit of a saga, I must say. The reference I am moving today to the Rural and Regional Affairs and Transport References Committee is related to the circumstances surrounding the decision by CASA to suspend the G class airspace trial. It particularly refers to what has happened with regard to CASA, BASI and Airservices Australia. It goes to the heart of a number of allegations which have received a great deal of public prominence with regard to this matter. It goes to the fact that Mr Smith, the Chair of CASA, made some extraordinary allegations as to the conduct of BASI in relation to BASI's report on the G class airspace trial and it goes to BASI's

defence—I think correct defence—that they did not act inappropriately, that they were operating in a completely independent manner. Mr Smith made a number of fairly startling allegations, including that cronyism and capture existed in relation to a number of areas of the air safety regime in Australia.

Not only we but most of the people who are involved in aviation in Australia feel that this matter—not only the comments of Mr Smith and Dr Lee in the estimates but the fact that this has been a matter for public debate—warrants a full inquiry. It has been widely covered in media reports, both electronic and print. It is of major concern not only to simply the obvious stakeholders in the aviation industry but also to the flying public of Australia.

A number of the allegations that were made by Mr Smith relate to particular individuals, and the legislation committee has received correspondence with regard to that. The public of Australia and the stakeholders in Australia, who are very worried indeed about these allegations—and so they should be—have asked us to organise an independent inquiry into this matter. As far as Labor is concerned, this means referring it to the references committee.

I will just go through some fairly startling events which happened last night and this morning in terms of the negotiations with regard to this matter. First of all, this has been a difficult matter to negotiate, but one thing that was agreed consistently between the Labor Party and the Democrats was the fact that this matter should go to the references committee. There was never any agreement from us at least—and, we thought until this morning, from the Democrats—that the matter should be referred to the legislation committee.

We had heard on the grapevine that the Democrats were involved in negotiations with the government about referring this matter to the legislation committee. To give the government its due, at the recent legislation committee meeting Senator Crane indicated that that is where the government felt it ought to be. That is fine in relation to the government's position. As late as last night, I received a letter from Senator Woodley, which states:

> In terms of the idea of a short, sharp inquiry into Dick Smith and G class, the government has already offered to conduct this through the legislation committee. In some ways that is the appropriate committee to do this part of the inquiry.

That is what Senator Woodley asserts. He goes on to say:

> I have indicated to the government that I gave you—

meaning me, Senator Mackay—

> a commitment to put this issue to the references committee.

On the basis of that assurance from the Democrats, we wrote back to the Democrats indicating that we would not be moving this motion today because, as far as Labor was concerned, the critical issue was to get the allegations, to get the issue of the roles of CASA, BASI and Airservices Australia, to the references committee, which Senator Woodley chairs—not to the legislation committee, which the government controls. Therefore, we had confidence in Senator Woodley's position in relation to this and his capacity to be independent and to conduct it in a manner that we felt appropriate.

Something has happened—and I am glad Senator Woodley is here, because I am not sure what—some time between 8 o'clock last night and about 20 to 10 this morning because Senator Woodley this morning withdrew his entire reference to air safety, including the matters of G class and the allegations of Mr Smith and Dr Lee, et cetera. He removed it from the *Notice Paper* and gave notice of another motion—that 'the circumstances surrounding the decision by CASA to terminate the class G airspace trial, and the roles and responsibilities of CASA, Airservices Australia, BASI and the Department of Transport and Regional Services in the regulation, design and management of airspace' be moved to the legislation committee. He then went on properly, I believe, to refer a number of other matters to the references committee, which is fine.

Our position has consistently been that this matter needs to go to the references committee, not the legislation committee. This is an

inquiry that we are talking about here. I think I now have a letter from Senator Woodley which, unfortunately, I do not have time to read. I shall read it later. Senator Woodley, I am sure, will illuminate me when his time comes.

Legislation committees—and this has been the matter of some debate over the years, certainly long before I came into this place—have a couple of primary purposes. The first one is to deal with legislation. That is obvious. That is axiomatic. The second function of legislation committees is to deal with appropriations, matters of expenditure and also annual reports. This is a fairly broad range of topics, and we have a view that it is a fairly broad range of topics as well. However, as far as we are concerned, the issues of the circumstances surrounding the decision by CASA to terminate G class, the allegations that have been made, do not fit into that term of reference, do not fit into the role of the legislation committee. We do not believe that they do.

As I said, I do acknowledge Senator Crane's integrity in relation to this. He did indicate that the government's view was that it should go to the legislation committee. I do not have time to read Senator Woodley's letter now, but the reason the government gave was the fact that it was raised in estimates: because these issues—the allegations that were made by Dick Smith, the CASA evidence, the BASI evidence and so on—were raised in estimates, it is appropriate that these matters be referred to the legislation committee. On that basis, you could refer virtually anything to a legislation committee because at some point during a budgetary year cycle most things are canvassed at estimates. That is the nature of estimates.

I completely disagree with the government in relation to that, but they have indicated that that is their view. I must say that that is somewhat ironic, given the hoo-ha that the government kicked up when the Senate referred the matter of the workplace relations bill to the references committee and how inappropriate they felt that was. So that is the government's justification for it. We do not think that the legislation committee is the appropriate place, and we will be seeking advice from the Clerk of the Senate as to whether it is.

Clearly, the appropriate place to deal with a broad-ranging inquiry into what is a matter of considerable political moment is the references committee, chaired by Senator Woodley. We had confidence in that. Certainly, discussions Labor has had with the stakeholders in the aviation industry, media speculation and so on have proved that that is what they want. I think if the Australian public knew the minutiae of the allegations—and there is no reason they ought to—they would agree as well that the appropriate place to send this matter is the references committee.

We are concerned that it is going to the legislation committee, for a couple of reasons. The first reason I have traversed fairly extensively—that is, we do not think the legislation committee is the appropriate body, because of its role, to consider this.

Secondly, why on earth would you send an inquiry that deals with a number of allegations to a committee that is controlled by the government when the government until recently refused to table a number of documents that may illuminate us? Two days ago, Senator Woodley moved a motion that the Hawke report into Airservices Australia be tabled in the Senate, and we supported that and agreed with that. That is one document, and Senator Woodley had to move a motion to get the government to table it.

The second document we are still waiting on is the Hawke review into Airservices Australia, CASA and BASI—which was given to the minister by Dr Hawke in December last year—and on the next day of sitting we will move a motion that the government provide that review. Dr Hawke was specifically tasked to look at the roles and responsibilities between those three agencies in relation to air safety in Australia. We are having to move a return to order in the Senate in order to get that document.

Then we have Minister Anderson's inquiry into BASI, which we on this side of the chamber hope will exonerate BASI in relation to the role it played in the G class inquiry. I think it is widely agreed that BASI has an

impeccable record in relation to this matter. When Minister Anderson announced that inquiry, he also publicly announced the terms of reference. In the very estimates committee we are talking about where these allegations were made, I actually asked the duty minister at the time—who was Minister Macdonald—whether the inquiry into BASI which Minister Anderson had announced would be public. The precise words I used were, 'Would it be a public inquiry?' The duty minister at the time replied, 'No, it will not.' Why would you want to send this inquiry off to a committee controlled by the government? Subsequently, after pressure from the opposition, Minister Anderson acceded to our request that the BASI inquiry be made public. That is a good thing, but it ought to have been a public inquiry from the very beginning.

Here we have some illustrations of how the government is attempting to cover up the circumstances surrounding the G class trial, which was a fiasco from the very beginning. Coupled with that, we have these extraordinary allegations being made by CASA in relation to BASI and so on.

Why would you want to send an inquiry into this whole matter to a committee that is controlled by the very people who are not providing the information, who would not support the tabling of the Hawke report into Airservices Australia, who had to be forced into acceding at this point to making the prospective report into BASI publicly available and who still refuse to give us the report of the Hawke inquiry into the roles and delineations of air safety between Airservices, CASA and BASI? I am genuinely perplexed, and I presume Senator Woodley will be able to provide a reason. I do not understand it. It seems to me that it is like putting Dracula in charge of the blood bank.

The appropriate place to have a genuine inquiry is where the government does not have the numbers, and that is the references committee. I think that is what the stakeholders in the aviation industry wanted and what the public of Australia expected from us. As I said, I simply cannot understand why this would happen.

Obviously, the government's excuse—this is politics, so they had to come up with something—was that these matters arose out of estimates. As I said before, so what! Just about every single issue that happens in Australian public life is traversed at some point in estimates. The natural extrapolation of this precedent could be to make references committees irrelevant. On the basis of the logic of the government, almost everything could be referred to a legislation committee.

From my reading of the role of legislation committees and references committee, I do not believe legislation committees have the authority to do this and, as I indicated before, we will be seeking advice from the Clerk. I do have a lot of personal respect for Senator Woodley and his integrity, but I simply do not understand why the Democrats have acceded to the government's request in respect of this.

The other thing I would like to say is that this all came as a great shock to us. The first we knew about this was when Senator Woodley stood in the chamber this morning. I appreciate that there may have been circumstances that prevented Senator Woodley from advising us beforehand. I understand that we are all very busy, it was probably determined at the last minute and so on. But in my role representing the shadow minister for transport, I have attempted to be—to use the phrase 'du jour'—as open and transparent as I can in relation to negotiations. I genuinely thought we had an agreement that this matter would be referred to the references committee. On that basis, we were not going to move this motion today and we were going to support Senator Woodley's motion in its entirety.

I wrote to Senator Woodley this morning and advised him of that, so he was completely up to speed on what we were doing. I am sure he has a very good explanation and I am happy to hear it. But, irrespective of whatever explanation Senator Woodley has, the fact remains—and we believe it is axiomatic to this case—that this is an inquiry into air safety in Australia specifically related to the cancellation of the G class airspace trial and specifically related to the allegations made by CASA with regard to the role of BASI. It is

an inquiry; it is a reference; it should go to the references committee not the legislation committee. We will be pursuing this motion and we will be taking it to a vote. That is my intention at this point, depending on what Senator Woodley says. But, irrespective of what he says, the place this should be dealt with is in the references committee and not in the legislation committee.

Senator WOODLEY (Queensland) (11.30 a.m.)—I do believe Senator Mackay deserves a reply. There is no doubt about it, I understand her distress at this point. It is important that I put on the record the reasons why all this has happened.

In fact, I think Senator Mackay would make an excellent shadow minister for transport. I wish she was, because part of the problem that we have been having through all of this is our difficulty in communicating with the shadow minister in the other House. I do not know if I have to say her name in this place, but you know who I mean. One of the difficulties is that I have phoned her office on a number of occasions and spoken to her staff but I have not been able to speak to the shadow minister herself. The problem has been that all of the communication with her office has been by email.

Senator Mackay has acted perfectly responsibly through all of this—that is not where the problem has been. It has been a problem for us trying to negotiate terms of reference which have been changed—by, I presume, Senator Kernot's office—on a number of occasions.

Senator Patterson—She is not Senator Kernot any more.

Senator WOODLEY—Sorry, by the shadow minister—perhaps I should use that term. I would like to make an apology to Senator Mackay—not for what we have done but for the fact that the whole issue overtook us in terms of the flow of events and so on. One of the problems last night was that we received a letter from Senator Mackay's office, which no doubt she had to negotiate with the shadow minister, changing our terms of reference again by suggesting that there should be four inquiries with four different dates and deleting one of the essential terms of reference, from my point of view, which was the whole issue of location specific pricing.

Let me explain that I have been talking about this issue with the government and other people, particularly Senator Eggleston, for some months. Senator Eggleston has great concerns about what has been happening at Port Hedland. Because of his concerns and the concerns of many people around the country, location specific pricing is a big issue in regional airports.

When I received a letter from the Labor Party last night containing new terms of reference, suggesting four inquiries and deleting that particular reference, it really left me in a very difficult position. So I wrote back to Senator Mackay and said that that was not acceptable. I did at that stage say that I was trying to negotiate terms of reference with the government but they had also deleted certain terms of reference. So I was left with no alternative but to proceed with the original terms of reference which are on the *Notice Paper*.

I acknowledge that Senator Mackay did write to me and that I got her letter this morning, but I did not receive it until I had moved the new terms of reference. It was brought to me in the chamber because this morning I went to the AMA breakfast, then I went to our party room and then I came into the chamber—I did not check my fax. In the meantime, Senator Winston Crane had got back to me indicating that the government would accept the terms of reference and put back in the one that they had deleted. So from the government I will get all of the issues that are important to me and I believe important to people out there.

There is a debate about which committee the issue of CASA, BASI and Dick Smith should go to. I admit that I indicated that we were prepared to have that go to the references committee, but I also said in my letter last night that we understood why the government was suggesting it should go to the legislation committee. I had some sympathy with the government's argument about that.

The problem is that the whole issue of the allegations by Dick Smith arose in estimates.

There is no doubt that the legislation committee is where estimates occurs. So there is an argument that if the allegations arose in estimates before the legislation committee, then the allegations should be dealt with there. I am not necessarily wedded to either the legislation or the references committee in terms of those allegations. However, one of the things that has been urged on me by the Labor Party all through this is that there should be a short, sharp inquiry into Dick Smith and his allegations. Again, if you want a short, sharp inquiry, the place to do that is in the legislation committee. That is where that is dealt with.

The other reason is that the legislation committee is the committee that deals with government departments; part of their job is to deal with government departments. Although I do not say that I got everything I wanted from the government, certainly in dealing with the government I found it much easier to convince them that the terms of reference which were needed were the ones which I moved this morning. Unfortunately, I did not receive Senator Mackay's letter in time before I moved those.

But I believe the best thing we can do now is to proceed in the way in which I have moved. We have the government onside. I hope that the Labor Party will feel that they can still raise all the issues in the two inquiries which we are suggesting and that we can get to the bottom of all the allegations which have been made. But what is an even more important issue is the fact that we can get the issue of air safety out on the table.

I have to say to the Senate that, whilst I have not counted them, every industry group in aviation in Australia has contacted my office. Numbers of them have made verbal submissions to me as well as written submissions. Just this morning I have had contact from flight attendants who are off work because of the toxic fumes issue, I understand. There are now about 60 flight attendants and pilots who are off on sick leave. We have to look at that issue. The government really do not want the Senate to do it. They would rather do it themselves, but they did reluctantly agree this morning that air safety would be one of those terms of reference. I believe that is the issue which is more important than any witch-hunt into Dick Smith, although the allegations he made were quite outlandish and he did not produce the evidence that he should have produced. I believe the legislation committee must take those allegations seriously and must give those who were maligned—I think that is the right word to use—in estimates committees a chance to answer those allegations if they wish to do so.

I am glad that Senator Mackay is seeking the advice of the Clerk. Obviously we would be very happy to see that. We will certainly accept any advice that the clerk gives us along those lines about the appropriateness of committees. What I am putting on the table is a most interesting saga. My appeal to the Labor Party is to have Senator Mackay as the shadow minister. That would make things a lot easier.

Senator O'BRIEN (Tasmania) (11.39 a.m.)—Having participated in the references committee and in the legislation committee in this area for some little time now, I am afraid I still do not understand completely why the Democrats have taken the action they have. If you analyse the performance of the references committee in this area—it even predates my time on the committee; Senator Collins was then on the committee—the committee had the propensity to deliver unanimous reports, that is, reports agreed to across the parties on the issues referred to it. There was a range of issues. If you go back to the PADS inquiry, that was an inquiry substantially into a matter pertaining to the performance of a government instrumentality. The parallel with the proposed inquiry here would be enough to suggest that there is no problem at all with this particular matter going to the references committee, as is proposed in Senator Mackay's motion.

On that ground, it seems to me there is certainly no impediment to the matter being dealt with by the references committee. Certainly, on the grounds of the performance of the references committee, one could not say that the committee has operated as a partisan committee, where opposing views from the government and the opposition have

tended to be the norm; they have not. I do not think anyone can say that. On the other hand, the legislation committee tends to be a partisan committee, a committee where there are opposing positions taken by the parties, quite possibly because most of the references that go to that committee are on legislation itself. In many cases, legislation is referred to the legislation committee only when there is controversy about it. Nevertheless, that is the circumstance.

The problem with reference to the legislation committee where matters are partisan is that the government chairs the committee and controls the agenda. On the other hand, the references committee is chaired in this case by Senator Woodley. The agenda is determined by a majority of the committee, not by any one party, and we are guaranteed by the make-up or the structure of the committee that the progress of the committee will not be inhibited by the wish, on the one hand, of the opposition to pursue a particular point or, on the other hand, by the government which might, it could be argued, seek to prevent particular matters coming before the committee or particular questions being asked. I say that with due respect for Senator Crane. I do not want to be suggesting that Senator Crane, who is the chair of the legislation committee, necessarily performs in an improper way in chairing the meeting. I think we understand that from time to time matters are more sensitive for government, and the way the inquiries are conducted tend to reflect that.

Having said that, I do not understand why there was this sudden change, other than that there was a reference to the fact that Cheryl Kernot is the Labor shadow minister. There is obviously a history which goes beyond this issue between Senator Woodley and Cheryl Kernot.

Senator Patterson—That is a gross understatement.

Senator O'BRIEN—Thank you for realising that, Senator Patterson. Senator Woodley suggested that there was some difficulty in communication. There may be, but the advice I have received is that it is not because there is a reluctance to take phone calls between Senator Woodley and his office, on the one hand, and Mrs Kernot and her office, on the other hand. If there is a problem, perhaps someone had better check phone numbers. The advice I have is that there has been no such problem because there has been no contact. That may be the reason that there is email correspondence. There may be other reasons, but I do not think it is productive for this debate to go into that matter now.

It seems to me that that is more likely to be the reason for the very negative attitude being taken to what, I would suggest, is the more appropriate way to pursue this matter. If the circumstances of our position are, as Senator Mackay has said, that we were prepared to support Senator Woodley's reference, one wonders why the matter could not have been worked out in a better way.

Senator Woodley, I just do not understand your position. In the context of the way the references committee has operated, and given that you are chair of that committee, all of the matters needing to be dealt with can be guaranteed to be dealt with. It may be that the legislation committee will deal with the matter adequately. But, by moving away from what is the tried and true method of dealing with these sorts of matters, we do take that on trust.

Let me say also that the Democrats and the opposition have tended to stand together in referring matters to the committee. In here, most debates about matters being referred to references committees in other areas seem to be with the Democrats either supporting us or our supporting them. I do not see the Democrats, for example, in any of the other committee areas, seeking to refer matters to legislation committees. Their references are, I think, almost invariably to reference committees, unless being referred to select committees.

So you really have established a precedent here in so far as what might be the policy of the Democrats—and I wonder whether you really want to live with that precedent in the future. I suspect that those opposite may seek to throw that precedent back at you when they seek to pursue this sort of approach in other policy areas.

If the Democrats have the ability to reconsider their position or perhaps find some other way around this situation, it might be appropriate that that occur before we are locked into a position where that precedent has been established. Given what I have said about the performance of the references committee in this area, I think there is no good reason not to refer this matter to the references committee. In fact, I challenge any member of the Senate to point to the performance of the committee in the last couple of years where it has not operated in a bipartisan way.

Senator PATTERSON (Victoria—Parliamentary Secretary to the Minister for Immigration and Multicultural Affairs) (11.47 a.m.)—I will not take up much of the chamber's time in saying that the government will not be supporting Senator Mackay's motion. I am sorry that Senator Woodley has had difficulty in communicating with the shadow minister. People know that sometimes, when relationships break down, there is difficulty in communication. It seems a shame that Senator Woodley did not have access to mediation or some facility to facilitate communication. But that is not a problem to be dealt with by the government; that is a problem to be dealt with by the opposition.

I was a little bemused and amused by Senator Mackay's feigned indignation about what should go to references committees and what should go to legislation committees. When we were in opposition, not one piece of legislation went to a references committee—not one. Legislation went to legislation committees and references went to references committees. But, when those opposite became the opposition, they thought it was really smart to refer—sometimes with the assistance of other people within this chamber—legislation to references committees because they were chaired by non-government members. The shoe is on the other foot. I think this issue should more legitimately go to a legislation committee just as it is much more appropriate that areas covered in annual reports and issues raised in estimates go to legislation committees.

Senator Mackay and Senator O'Brien have come in here and said that the Democrats are doing something that is totally unusual and that it might come back in their face. The opposition time after time after time has had legislation going off to references committees basically because it controls the numbers and has the chairmanship of those committees. We have had these costly caravans travelling throughout the countryside looking at legislation. When we were in opposition, we operated in a reasonable and fair way, mostly on Fridays. Only rarely did we take the inquiry or the legislation beyond a Friday. I think we behaved in an appropriate manner in giving opportunities for organisations to put their point of view on legislation.

Now these committees have become a joke. Any topic, any bit of information, whether related to the bill or not, seems to be aired. Here we have an appropriate reference to a legislation committee, and we have those opposite crying foul. The shoe is on the other foot. The inquiry is now going to the right committee, and the government will not be supporting Senator Mackay's motion.

Senator MACKAY (Tasmania) (11.50 a.m.)—I will be very brief in taking up my right of reply. I will not take up much of the chamber's time. I think Senator Patterson's use of the term 'the shoe is on the other foot' was quite illuminating.

Senator Patterson—You do not like it.

Senator MACKAY—From what she was saying, I think she indicated that this might be a bit of payback.

Senator Patterson interjecting—

Senator MACKAY—I will say what I like, Senator Patterson.

Senator Patterson—No, you won't.

The ACTING DEPUTY PRESIDENT (Senator Ferguson)—Order!

Senator MACKAY—I think 'the shoe is on the other foot' was a bit inappropriate. Senator Patterson was supposed to have argued the principle of this, but basically all she did was dig the government a great big hole. She has provided substantially more illumination than we had before as to what may have been the government's motivation in relation to this.

Senator Patterson is correct: we do not want to send this to the legislation committee because the government has the numbers on the legislation committee. That is correct. We do not want a situation whereby the government closes hearings down, whereby the government can decide who does and who does not appear in front of the committee—although I appreciate that Senator Woodley probably has assurances in that regard.

But no, we do not trust the government on this matter. That is correct, we do not. That is why we want to send the matter to the references committee. We have very good reason not to trust the government in relation to this matter. But I will not go on and on again about all the reports we are attempting to seek, and so on.

Be that as it may, our view is that this is an inquiry; it has nothing to do with legislation. The fact that it was raised in an estimates committee is completely irrelevant. Everything is raised at estimates committees. Legislation committees are meant to deal with legislation. They are meant to deal with appropriations. They are meant to deal with expenditure. They are meant to deal with annual reports. This is an inquiry. Just because it was raised in estimates does not mean that it has to go to a legislation committee. That is our view.

As I said before, I will be seeking advice from the Clerk in relation to this matter. I took Senator Woodley's comments at face value when he said that he would be looking with interest at the advice from the Clerk in relation to this matter and that he would perhaps be prepared to reconsider his position. I hope that once we do get the Clerk's advice, depending on what it is, perhaps Senator Woodley might consider referring the matter back to the references committee.

I have a couple of other things I want to mention. First of all, I apologise to Senator Woodley about the correspondence this morning. I tried to send it as early as possible. I think we sent it to you around 9.00 a.m. I apologise for that. Perhaps if you had seen it before it might have been a different situation or perhaps not. Anyway, as they say, that is history. Just to clarify matters in relation to what Senator Woodley was saying with regard to Mrs Kernot and contact, I am advised by Mrs Kernot's office that to her knowledge she has not actually received any phone calls from Senator Woodley.

Senator Woodley—I made one myself.

Senator MACKAY—You made one yourself. This is what Mrs Kernot is saying. She has no problem talking to you at all, Senator Woodley. I would invite you to—

Senator Patterson—Maybe you could be the mediator.

Senator MACKAY—Excuse me. Perhaps, Senator Woodley, you could avail yourself of the opportunity and have a discussion with regard to this.

As I said, the axiomatic bottom line issue as far as we were concerned—and this was contained in the correspondence I sent to Senator Woodley this morning—was that, irrespective of everything that has happened, this matter should go to the references committee, which Senator Woodley chairs, because it is an inquiry which has implications for air safety, because it is an inquiry in which a number of people have a major interest—in fact all flying public have a major interest. We think this has gone to the wrong committee. We will continue to assert that. We will seek advice from the Clerk, as I indicated. Hopefully, on receipt, depending on what it says, the Democrats may reconsider their position.

Question put:

That the motion, as amended, (**Senator Mackay's**) be agreed to.

The Senate divided. [12.01 p.m.]

(The President—Senator the Hon. Margaret Reid)

Ayes	29
Noes	41
Majority	12

AYES

Bishop, T. M.	Bolkus, N.
Brown, B.	Campbell, G.
Carr, K.	Collins, J. M. A.
Conroy, S.	Cook, P. F. S.

AYES

Cooney, B.	Crossin, P. M.
Crowley, R. A.	Denman, K. J.
Evans, C. V.	Forshaw, M. G.
Gibbs, B.	Harradine, B.
Hogg, J.	Lundy, K.
Mackay, S.	Margetts, D.
McKiernan, J. P.	Murphy, S. M.
O'Brien, K. W. K. *	Quirke, J. A.
Ray, R. F.	Reynolds, M.
Schacht, C. C.	Sherry, N.
West, S. M.	

NOES

Abetz, E.	Allison, L.
Alston, R. K. R.	Bartlett, A. J. J.
Boswell, R. L. D.	Bourne, V.
Brownhill, D. G. C.	Calvert, P. H.
Campbell, I. G.	Chapman, H. G. P.
Coonan, H. *	Crane, W.
Eggleston, A.	Ellison, C.
Ferguson, A. B.	Ferris, J.
Heffernan, W.	Herron, J.
Hill, R. M.	Kemp, R.
Knowles, S. C.	Lees, M. H.
Lightfoot, P. R.	Macdonald, S.
MacGibbon, D. J.	McGauran, J. J. J.
Minchin, N. H.	Murray, A.
Newman, J. M.	O'Chee, W. G.
Parer, W. R.	Patterson, K. C. L.
Reid, M. E.	Stott Despoja, N.
Synon, K. M.	Tambling, G. E. J.
Tierney, J.	Troeth, J.
Vanstone, A. E.	Watson, J. O. W.
Woodley, J.	

PAIRS

Faulkner, J. P.	Gibson, B. F.
Hutchins, S.	Macdonald, I.

*** denotes teller**

Question so resolved in the negative.

MIGRATION AMENDMENT REGULATIONS

Debate resumed from 10 March, on motion by **Senator Margetts**:

That item 1301 of Schedule 1 of the Migration Amendment Regulations 1998 (No. 9), as contained in Statutory Rules 1998 No. 304 and made under the *Migration Act 1958*, be disallowed.

Senator SCHACHT (South Australia) (12.04 p.m.)—As Senator Margetts explained and as I said yesterday in my introductory remarks, this is about reducing the opportunities for people to keep appealing for ministerial intervention over their right to their status to stay in Australia. As I said yesterday, Senator Margetts made a number of quite reasonable points about process and the dangers that somebody could suffer an injustice. She quoted the recent case of a Somali person who had, as she described it, fallen between the cracks and who was about to be deported from Australia. There was a public outcry and it was dealt with.

The point I was making to Senator Margetts was that, no matter what black and white regulations we write down in a democracy such as ours, there are always plenty of informal checks and balances such as media scrutiny and members of parliament such as Senator Margetts raising issues in parliament and parliamentary committees. There are also those groups in the community who are quite rightly interested and involved in immigration matters raising these issues as well. I do not believe that, in our democracy, the informal checks can be ignored.

Therefore, the opposition supports the government on this position and does not support the disallowance motion because we believe that, in relation to what is operating at the moment, there is evidence that the process is being abused. Of the 7,000 or so requests at the moment for personal intervention received by the minister, a very large number have been initiated by migration agents. We believe this suggests that a large number of the requests are made by people who are aware of the system and are trying to circumvent it.

In effect, they are consistently applying and then applying again in the hope that the longer the person can stay after getting an extension of their visa inevitably will mean they will get permanency in Australia. If that is the case, it means that those people get an advantage and that many other deserving applicants who are not in the country already but who are applying for refugee status would miss out.

It has always to be considered here with the rules on migration matters that if you try to allow too much discretion you may create an injustice to others. Those who know how to use a discretion can apply political pressure or publicity so that they may get an advantage over others who do not have access to or cannot afford a migration agent or some

publicity. They know how to use the system. Therefore we believe that the system the minister has proposed should be given a chance. Again, I have no doubt that in a democracy every so often there will be a debate about the operation of migration regulations. Whatever these regulations are and however they work, there is one thing I would be sure of, and that is that sooner or later the minister, the government or someone will say that there should be further amendment. According to the practice, this is what is happening now. We should accept that that is not a weakness of the system but that it is its strength—that from time to time, rules and regulations on migration can be adjusted according to the circumstances which we face.

I have to say that I do not think we will ever get it 100 per cent right, because you are dealing with an extraordinary range of cases and circumstances. But if you argue that because the range of circumstances is so broad there should be no rules or that people can use them in any way they like, then I think you would end up with no immigration rules at all and you would create other injustices in the system.

Very briefly, Mr Acting Deputy President, the opposition supports the government's position and, reluctantly, on this occasion we will not support the disallowance. We believe the issues raised by Senator Margetts are relevant in some ways. They are issues that are raised by people in the community involved with immigration issues. But let us see how they work. I have to say that if they work badly and we get examples of people being deported and then being subsequently mistreated by the country they have been deported to then, obviously, whether the government likes it or not, there will be a public debate about it and these rules will have to be revisited. We believe that, on balance, they should be given a chance to work. But, as the opposition, we will always be keeping them under close scrutiny. Therefore we will vote against the disallowance.

Senator McKIERNAN (Western Australia) (12.10 p.m.)—I want to add a few words to those of my colleague Senator Schacht on this matter. Senator Schacht has outlined the main reasons why the opposition are not supporting the motion to disallow the regulations that was moved by Senator Margetts. My comments might add a slightly different perspective to that put on the issue by Senator Schacht.

It is very unfortunate that we have to be speaking on an issue like this in the parliament. The reason that we are here is that a great number of people are actually abusing Australia's compassion in dealing with refugees throughout the world. That is the reason why we have got to come into the parliament of Australia and put further restrictions on a system which I believe is a very good system—a system that is offering tremendous services to those who need it but which has been abused by those who are not entitled to use it. That is the reason we have to take this strong action.

We are doing this to protect the system and to protect those that are in need of our protection—that is, genuine refugees. It is a great shame that we have to do it but it is the nature of life in this country that when we put something in place there are those in the community who will seek to exploit it or use others in order to exploit it. It is true to say that there are some lawyers who are making money out of this system. That abuse can no longer be tolerated. The minister has to move because the system is under attack by what is happening.

In earlier comments one individual case was mentioned. I am going to be careful how I respond on that case because I understand that the individual is now back in the courts and I respect the sub judice rule, although we can openly speak about these things. There are some basic facts behind the case that was referenced perhaps as one that actually fell through the cracks in the floor; and it was used as an instance as to why we should support the disallowance of this regulation. It referred to Mr Elmi, a Somali national, who came to this country illegally and made a claim for refugee status. That claim was looked at through the processes and was rejected. The individual, Mr Elmi, then appealed to the Refugee Review Tribunal,

who looked at the case, considered it on its merits and rejected the case.

Mr Elmi then took his case to the High Court of Australia, the peak governing body of the land. The High Court looked at the circumstances of Mr Elmi's case and rejected it. Mr Elmi then took his case to the minister who looked at it and it was rejected. He went again to the minister and it was rejected again. He went again to the minister and, for the third time, it was rejected. That is six rejections in all. If that is slipping through the cracks, then I really do not know where the cracks are.

We have got a rule and we have got international guidelines which Australia follows as to who is a refugee in the terms of the United Nations conventions on refugees. That has been tested in law in the Federal Court, in the High Court and in some international tribunals as well. Australia is abiding by the guidelines that followed from that litigation and were tested. I do not think that Mr Elmi truly has tested but I do not want to say any more about that because I am aware that Mr Elmi is still in Australia and is still pursuing, as I understand it, at least another Federal Court case and an application for leave to go back again to the High Court of Australia.

I just want to conclude my remarks by saying how proud I am to be part of a parliament that is compassionate, that does give protection and sanctuary to those so few people who are in need of it. We have a very proud record in Australia. Proportionately we are doing our bit to help those displaced peoples throughout the world. And, although there are people who have got genuine refugee claims whilst they are in Australia, I am very conscious that every time we grant refugee status to somebody who already is an Australian it means that there is a person in a camp somewhere throughout the world in circumstances of absolute destitution and deprivation who will not get that place in Australia because of that.

Senator Margetts—Why? Why do the two cases have to be mutually exclusive?

Senator McKIERNAN—They are not mutually exclusive.

Senator Margetts interjecting—

The ACTING DEPUTY PRESIDENT (Senator Ferguson)—Order! Senator McKiernan has the call.

Senator McKIERNAN—The two cases—and I, with regret, Mr Acting Deputy President, accept the interjection—are not mutually exclusive. They are linked, and that is part of the planning process that Australia goes through and has gone through with successive governments over quite a long period of time now. We do plan according to what we are able to give. It is not only the settlement of 12,000 people in need that we have to take into consideration in this matter; we have also got to take into account Australia's contribution to the United Nations High Commissioner for Refugees for their work not only in helping people get to Australia but in assisting people right around the world. The International Organisation for Migration is another organisation that plays a key role. And our embassies and high commissions throughout the world also have a role. We make contributions through the various aid organisations as well, so is not just the mutual exclusiveness of two issues.

I will make a final point—and then sit down—on the question of who is and who is not a refugee. I am involved in two parliamentary committees that are looking at different aspects of this in separate inquiries at the moment. The committees have not concluded their deliberations. We have not reached any findings but the question has been asked in some of the hearings of who is a refugee. We heard about the trouble and strife that is in places like Rwanda in the African continent. I have got it from very learned authorities through the public hearings that nobody is putting forward the idea that merely because a person is a Rwandan national they are automatically a refugee. None of the refugee organisations are saying that. Similarly, they are not saying that a person who is a Somali national is automatically a refugee.

What many people forget is that the United Nations High Commissioner for Refugees is now, as we stand here debating this matter, repatriating thousands of Somali nationals

back in to their homeland. From the UNHCR's point of view—and the first thing it seeks to do in resolving the problem of those millions of displaced people around the world—it is better to get them resettled in their homeland than in a different country. But, if it comes to that, Australia has got an open door for at least some thousands of them each year. Every one that we take onshore means that one of those people, possibly a Somali national who is decreed a refugee by the UNHCR, will not get in here. Finally, I regret that we are in fact debating this issue, but if it brings an end to the abuse of the system that some are engaging in I am all for it.

Senator BARTLETT (Queensland) (12.18 p.m.)—I indicate on behalf of the Democrats that we will be supporting Senator Margetts's motion to disallow this regulation. I appreciate the length of time and the expertise that Senator McKiernan has developed on this issue and some of the comments he made, but I do not share his enthusiasm for the operation of the current system. Senator Schacht said we will never get it 100 per cent right, and obviously we will not, although we obviously need to aspire to that goal, particularly in an area as important as the refugee issue is. But I certainly think that we are a fair way removed from that goal at moment, and I am also somewhat concerned that we may be moving further away from the goal rather than closer to it, which is a matter of concern to the Democrats.

I recognise the minister's intention in relation to what he is trying to do with this regulation, and certainly the Democrats do not deny that there are people abusing the system. But of course, as with any area, but particularly areas such as immigration law and refugee law—in the same way as in other areas, such as social security law, where there may be a small number of people abusing the system—we have to ensure that any method we follow or attempt to put in place to prevent abuses does not catch innocent people in the net as well. And in any area, but particularly one as fundamental as refugee law, the Democrats believe we need to err on the side of caution.

As Senator McKiernan mentioned, at the moment a couple of parliamentary committees are looking at various aspects of immigration law and refugee law and at refugee related issues—they have been doing so off and on for quite a while. It certainly is a complex area that has no easy answers, and the Democrats recognise that. But there has been a lot of evidence given by people working in the field, on the ground, in the real world, about people who are going through the process of trying to claim refugee status or humanitarian status to enable them to remain in Australia. There has been a lot of evidence from a lot of people that certainly indicates all is not well—not so much in terms of abuse of the system but in terms of the adequacy of the system in addressing quite genuine claims.

And, of course, the Democrats want to emphasise the fact that people might not get their claim for refugee status approved in some circumstances. It happens quite often, but in the majority of those circumstances that does not mean those people were abusing the system. It may be quite a legitimate decision on behalf of the department, the tribunal, the court, the minister or whoever that those people do not meet the criteria for refugee status.

It is a very old criteria and a very narrow one. One of the reasons that the opportunity to appeal to the minister is so important is that a lot of people who are in situations that quite clearly raise humanitarian issues do not fit within the narrow definition of a refugee but, nonetheless, are people for whom Australia needs to consider exercising its duty or responsibility in looking at their case from a humanitarian point of view. And that is a large part of what the appeal to the minister is about. It is important that that avenue remain open. This regulation does not close off that avenue altogether.

In a situation where, in the Democrats' view, there is still a far from perfect system operating—and there is certainly more than one person who is in danger of falling through the cracks and, I would suggest, they have already fallen through—the Democrats believe we should not be moving further in a direction that restricts people's options. That

is what this regulation does as, indeed, do other pieces of proposed legislation that are currently being examined by a Senate legislation committee, and they will no doubt come before this chamber at some stage. Some of those pieces of legislation—and one in particular—are far more problematic, from the Democrats' point of view. Indeed, the word 'draconian' is not too light a word to use and it has been used by many other commentators in the community in relation to one of those bills.

This regulation certainly is not anywhere near that, but the Democrats do believe that it is still moving things in a negative direction. We believe there is enough evidence around of problems in the whole process that need to be examined, and it would be good if the parliament could direct more energies into improving the current process rather than tightening it up. It is for these reasons that the Democrats support Senator Margetts with this disallowance motion and congratulate her for bringing it on.

It is worth mentioning in passing the number of migration regulations that do get tabled in this place. There is an enormous amount of delegated legislation, as it is called, that relates to the Migration Act. Another issue of concern for the Democrats is that there is such a large number of these regulations happening all the time. There is certainly a far more inadequate process of scrutiny for regulations than there is for proper legislation. There are often times when these regulations are gazetted, tabled and implemented before the parliament is—and occasionally the communities that are affected as well are—even aware that they are coming in. That is an issue that the Democrats are also concerned about. That goes to the wider issue of the number of migration regulations.

I should say, nonetheless, that Minister Ruddock is certainly one of the more accessible ministers I have had dealings with and is always willing to explain what he is doing and why, as has recently happened. But the Democrats would like to see more instances of getting detail before regulations get drafted and tabled rather than afterwards, so that some input can be had and concerns can be raised beforehand rather than afterwards. It is far from ideal to have to go through a disallowance process; a process which is very clumsy and can even generate legal problems of its own. But that is the only mechanism we are able to use, of course, so that is the way we have to go.

We believe this regulation is going in the wrong direction. Whilst we recognise the problem that it is trying to address, we believe the problem is not as big as is suggested, and the danger is increased of genuine cases not getting adequate consideration.

Senator PATTERSON (Victoria—Parliamentary Secretary to the Minister for Immigration and Multicultural Affairs) (12.26 p.m.)—I thank honourable senators for their contributions. The government opposes the motion to disallow item 1301 of schedule 1 to Statutory Rules 1998 No. 304 moved by Senator Margetts of Western Australia.

I would like to thank Senator Bartlett for his comments, and the officers will convey them to the minister. I know that the minister does make an effort to hold discussions with you. I appreciate your comments, and I am sure he will as well. I also thank Senator Margetts for providing my office with advance notice of her concerns and for the contribution she made in the debate yesterday. But some of the comments that were made by Senator Margetts and by Senator Bartlett demonstrate a lack of understanding of the extent of the issues faced by the government when dealing with people who do not wish to leave this country.

This amendment was aimed at overcoming the problem of people using the minister's power of intervention simply as a device to stay in Australia or extend their stay in Australia. Many applicants have been submitting two or more requests to the minister asking for his intervention in their case, and one individual submitted no less than 13 separate requests. When there are, for example, multiple requests being made, this clogs up the system for the people who have very genuine requests.

It is not a small problem, as Senator Bartlett indicated. There were around 6,000 requests for intervention last year. Repeat requests

increased in the first few months of the 1998-99 financial year to the point where they represented almost 25 per cent of all requests. Under the law as it stood before this amendment, each of these 6,000 requests, including the repeat requests, would automatically result in the grant of a bridging visa, extending the person's stay in Australia while the request was being considered. This was so even if the request itself had no merit whatsoever.

Senator Margetts may well say, 'But what about the genuine cases?' Of course, I recognise and the government recognises that there are exceptional cases where the minister considers it to be in the public interest to intervene. In fact, this happens on average in 100 cases per year. However, I think all senators should appreciate that the people who are affected by these amendments are those at the end of a very long process of having their claims considered.

Before a non-citizen even gets to the point of being able to request ministerial intervention, they will have had their case thoroughly considered several times. On the first occasion an officer of the department will have considered the initial visa application, usually for a protection visa. On the second occasion a member of the independent review tribunal—usually the Refugee Review Tribunal—will have considered the application for review. And on the third occasion another officer of the department will have considered, in line with the minister's published guidelines, whether any special circumstances exist that could justify sending the case to the minister for him to consider whether to intervene.

There comes a point in time when non-citizens must be prepared to accept that their bid to remain in Australia has been unsuccessful. These amendments make clear to these non-citizens that it is not possible to keep extending their stay here in Australia once they have exhausted all reasonable avenues for pursuing their case.

In summary, these regulations are directed at non-citizens who are repeatedly requesting ministerial intervention when their case has little or no merit. The changes do not affect the ability of a non-citizen to seek the minister's intervention. They simply remove the incentive for people at the end of a very long process to make repeat requests which take advantage of our generous system by removing access to a bridging visa whilst their repeat request is being assessed.

They will allow the government to deal with genuine cases more efficiently and ensure that resources are directed towards those who actually need the help of the minister. The changes deserve the support of the Senate. I ask that all senators vote against the motion.

Senator MARGETTS (Western Australia) (12.30 p.m.)—I am very sad at the response from both the government and the Labor opposition on this issue. I heard the response from Senator Schacht, and I understand that the decisions were made in the House of Representatives. I understand that many of the decisions that have been made by the Labor opposition have been made on the basis of what they believe is the electoral appeal of these particular decisions.

We know what the issues are as seen from the redneck tabloid media. I have heard them; we have all heard them on talkback radio talking about cheats and people jumping queues. I heard Senator McKiernan talking about the same kinds of issues. Let us assume that a repeat applicant is not a genuine applicant. That is the assumption that must have been made for this regulation. For any party to suggest that this is a way of helping genuine applicants, the assumption would have to be made that anyone making a repeat application is doing it in order to rort the system.

One hundred people are successful out of 6,000. Quite frankly, 6,000 is not an extraordinary amount a year anyway, in my opinion. But if 25 per cent are repeat requests, are any of those 100 successful cases per year from within that 25 per cent? If there was even one, you would have to say that what we are doing here is increasing the possibility of death or imprisonment for those people who will no longer have those opportunities.

If this decision were in isolation, we would say, 'Okay, we'll just look at the implications of this decision.' I did not see the program, but I believe last night's *Lateline* program was in relation to the judicial review bill.

What is driving this proposal? On my understanding, the judicial review bill will stop migration or refugee appeals to courts. Whereas in the past there has been greater restriction on working by cutting off of people's ability to get social security, the removal of the ability for people to gain access to legal aid—as I mentioned yesterday—and an increase of fees for getting to courts, here is a situation where yet another bill is coming up which will remove the ability for appeals to courts for refugees. There was an option for appealing to the court for those who could afford it, those who had people to assist and could actually get good quality assistance, but that is going to be lopped off.

I am putting myself into the minister's head: you can imagine the circumstances of him saying, 'Oh goodness, this will mean I'll have those people who cannot get access to the court coming to me asking for intervention and pleading for their lives. What a dreadful thing to happen. Instead of that, let's put in a regulation which stops people from appealing to me more than once.' We are not going to let them appeal to the court.

Senator Patterson—It does not stop them appealing.

Senator MARGETTS—People will be cut off from appealing to the court and they will be stopped from appealing more them once.

Let us look at the scenario. We know the difficulty of getting those documents that are necessary to prove a case. We know that sometimes they can take months and months. We know that a refugee is going to be left in a double jeopardy saying, 'Do I put in an appeal early? Do I risk the case of having to wait until the very last minute to see if any of that supporting documentation arrives? Do I wait until I can get hold of legal assistance? Or do I try to go to the minister by myself, because I will have one, and one only, opportunity to try to save my life or to try and save myself from being put in prison?'

Real live people's lives are being put at risk simply because people in the major parties of this parliament are looking at what the impact will be on the people of this community who say that refugees and migrants should not be in this country. The appeal is to those people who do not want to see Australia accepting refugees. The appeal is to the people we saw leading up to the last federal election who voted for people who had very specific policies on these issues. We do not see those on the Labor Party benches having the courage to stand up for what they should know is right. My former colleague Senator Chamarette resigned from the migration committee because of the kinds of decisions in relation to refugees. She resigned in despair because of these kinds of moves and the policies that were going on.

However, I would like to say that cutting off forms of access, whether it be to the court or to ministers, is to the shame of this country. We have been told today that Australia has to go to the international forum on racial discrimination and explain away its position in relation to racial discrimination as a result of its current action on Aboriginal land rights. How does it look to the international community when both major parties in this parliament are responding in this way and removing bit by bit the ability of those people who happen by sheer luck in many cases to arrive in Australia and then attempt to save their lives?

There are many reasons why people come to a country and then make their applications. I have spoken to a number of people who have been in that situation and there are very good reasons—fear and so on—why people cannot make applications in their own countries. There are very good reasons why some people when they arrive in Australia are not immediately able to identify themselves as refugees. But the fears are real and the dangers are real.

It is a national disgrace that this is what both the government—and this is perhaps more their general policy—and the Labor Party are doing. The disgrace here is that the Australian Labor Party are prepared to go along with this direction again and again in relation to immigration rules. I realise what the numbers are. I will be calling a division on this matter because I think this must go down in history.

Question put:

That the motion (**Senator Margetts's**) be agreed to.

The Senate divided. [12.43 p.m.]

(The President—Senator the Hon. Margaret Reid)

Ayes	9
Noes	46
Majority	37

AYES

Allison, L.	Bartlett, A. J. J.
Bourne, V.*	Brown, B.
Lees, M. H.	Margetts, D.
Murray, A.	Stott Despoja, N.
Woodley, J.	

NOES

Bishop, T. M.	Bolkus, N.
Brownhill, D. G. C.	Calvert, P. H.*
Campbell, G.	Campbell, I. G.
Chapman, H. G. P.	Collins, J. M. A.
Conroy, S.	Coonan, H.
Cooney, B.	Crossin, P. M.
Crowley, R. A.	Denman, K. J.
Evans, C. V.	Ferguson, A. B.
Ferris, J.	Forshaw, M. G.
Gibbs, B.	Heffernan, W.
Hogg, J.	Kemp, R.
Knowles, S. C.	Lightfoot, P. R.
Lundy, K.	Macdonald, S.
Mackay, S.	McGauran, J. J. J.
McKiernan, J. P.	Murphy, S. M.
Newman, J. M.	O'Brien, K. W. K.
Parer, W. R.	Patterson, K. C. L.
Payne, M. A.	Quirke, J. A.
Ray, R. F.	Reid, M. E.
Reynolds, M.	Sherry, N.
Synon, K. M.	Tambling, G. E. J.
Tierney, J.	Troeth, J.
Watson, J. O. W.	West, S. M.

*** denotes teller**

Question so resolved in the negative.

RURAL ADJUSTMENT AMENDMENT BILL 1998

Second Reading

Debate resumed from 3 December 1998, on motion by **Senator Ian Campbell**:

That this bill be now read a second time.

Senator SANDY MACDONALD (New South Wales) (12.46 p.m.)—The Rural Adjustment Amendment Bill 1998 gives effect to the Farm Business Improvement Program, or FarmBis, announced in September 1997 as part of the government's Agriculture—Advancing Australia package. This so-called AAA package includes a range of measures to help Australian farmers get on the front foot and stay there.

These measures include farm management deposits, which encourage farmers to invest up to $300,000 to allow for economic and seasonal downturns; a revamped drought and emergency assistance program; farmer access to a wider range of welfare assistance; an opportunity for farmers to access the pension and retire, handing on the farm to the next generation—this addresses the often difficult topic of family farm succession; and a new emphasis on training and business skills through the Farm Business Improvement Program, which is what this legislation is about. FarmBis has been designed to help all those involved in farming, including employees, to build on their existing skills, improving profitability, sustainability and competitiveness.

Research conducted by the National Farmers Federation has shown that there are strong links between education and training and the levels of productivity. Profitability and innovation achieved by individual farmers require these sorts of initiatives. Australian farmers do have a culture of continuous improvement, evidenced by the popularity, amongst other things, of farm field days—the Henty days, the Mudgee small farm field days and, of course, Gunnedah's very well attended Agquip. Farmers embrace new ideas like whole of farm management planning, which is one of the things that is becoming more and more popular.

The FarmBis scheme will operate for three years from the 1998-99 financial year at a cost of $50 million. It was developed following the findings of the McColl report and extensive consultation with the states, territories and farmer groups. It replaces the Rural Adjustment Scheme. FarmBis's emphasis is on delivering training tailored to the needs of local farmers. Consequently, assistance under FarmBis will be taken from the direct financial contribution towards the cost of training

activities. Activities to be supported include farm performance benchmarking, skills development such as rural leadership, quality assurance, risk management, marketing, natural resource management and farm business, and financial planning and advice.

Convenience is also an important factor, a point made repeatedly during the consultations throughout the program's development. The average farmer in my home state of New South Wales does not have time to pore over books, journals and computer programs—no farmer does. Nor does he or she have hours of free time to travel off-farm for courses and seminars. Through FarmBis, the coalition is promoting continuous learning by making training much more accessible. The pressure will be on training providers—either private or state agencies—to better meet the needs of farmers. We expect that state agencies, industry, local farmers and community groups will work together to achieve that goal.

Local coordinators will take responsibility for the further development of farmers in their area who want to take part in activities under the FarmBis framework. This bill funds activities on two levels—a state component and a national component. The state component will fund state training priorities as determined by state planning groups. Funding will be shared on a fifty-fifty basis between the Commonwealth and the state. The national component will fund cross-border projects and national industry initiatives—examples include the national pig industry initiative and the chicken meat benchmarking study.

This is a practical bill which has the best interests of the people on Australia's 145,000-odd farming enterprises at heart. It acknowledges the differing needs of farmers in each of the states and territories and acknowledges that ongoing training for farmers is vital. But it must be structured carefully to ensure participation by farmers of all different categories and varieties. I commend this bill to the Senate.

Senator FORSHAW (New South Wales) (12.50 p.m.)—On behalf of the opposition, I indicate that we do not oppose the Rural Adjustment Amendment Bill 1998. Senator Sandy Macdonald has detailed many of the elements and objectives of the bill, which is to introduce FarmBis or, more correctly, the Farm Business Improvement Program. Whilst I do not wish to take issue with most of what Senator Macdonald said because, as I said, we do support the legislation, I did note that he referred to the AAA package as the 'so-called AAA package'. I am not sure whether that was a Freudian slip, but I think it was quite an accurate description because there are many aspects of the so-called AAA package announced by the former minister that we do not agree with.

In other cases, aspects of the AAA package are simply a repackaging of programs that were already in place under the previous Labor government. Certainly, introduction of the FarmBis program is a welcome initiative and we are happy to support it. Its objective of improving the managerial skills and other skills of farmers through education and learning activities is certainly meritorious.

The opposition notes that the farming sector has been undergoing ongoing structural adjustment over many years, whether it has been under previous Labor governments, previous Liberal governments or this government. That is a response to changes in the international competitive environment for rural commodities and also a response to the need to endeavour to improve the productivity and, therefore, the profitability of Australian farming. When we were in government, we were very keen to promote that and assist wherever possible. Therefore, when legislation is introduced by this government that has that objective and can help to achieve those aims, we are happy to support it.

We do not take the approach of making the crass observation that, simply because some members of the government happen to be farmers, they have a vested interest in this. Rather, we note that they are here representing a very important constituency, the farming community of this country—just as it is the case that there may be former trade union officials in the parliament who represent, in part, the interests of many hundreds of thousands of Australian employees, including, dare I say it, employees in rural and regional Australia. I know we have a fair bit of busi-

ness to deal with in this period of debate on non-controversial legislation, so I will leave my remarks there and indicate that the opposition supports passage of the legislation.

Senator O'BRIEN (Tasmania) (12.54 p.m.)—The amendments proposed in the Rural Adjustment Amendment Bill 1998 give effect to the government's announcement in September 1997 to introduce the Farm Business Improvement Program, known as FarmBis. The objective of the scheme is to increase farmers' participation in learning activities, with the aim of improving the performance of their business. This program picks up where the former Labor government left off in that regard. The scheme is based on a cooperative arrangement between the Commonwealth and the states. The majority of funds are to be allocated through state based components to finance state, industry and community agreed priorities in relation to training and education.

I asked a question on notice about this program on 10 December last year and I recently received an answer. I was advised that the Commonwealth was still in negotiation with two states—Tasmania and Queensland—about the terms of the FarmBis agreement; that is, even though this program was announced in September 1997, the details have still not been settled.

The government had actually made funding available for the so-called Agriculture—Advancing Australia package, which incorporates FarmBis, in the May budget of that year. Senators would recall that in the previous budget, the 1996 budget, the government ripped funding out of a whole range of programs that provided assistance to people living in regional and rural Australia. For example, the Rural Communities Access Program, the Rural Telecommunications Upgrade Program, the Rural Adjustment Scheme Reserve Fund and the Agribusiness Program all lost their funding.

In those budget papers, under the heading 'Purpose', it stated that the cuts were to contribute to 'meeting the government's fiscal target'. This was, of course, at the expense of the fiscal targets many farmers and others living in regional Australia had set themselves—and their target was to try to survive. In the following budget, the government put some of those funds back into programs with different names but similar objectives. Here we are in March 1999 still trying to get the enabling legislation through the parliament and still trying to get an agreement with the states to implement these new arrangements.

The tortured process followed in relation to this program has been a feature of the management of the primary industry portfolio and now the Agriculture, Fisheries and Forestry portfolio since March 1996. One of the Howard government's first actions when it won office three years ago was to hold a rural summit. The then minister, Minister Anderson, brought the rural community together to develop an action plan. This program, and the AAA package more generally, flowed from that process. When the Prime Minister launched that package in September 1997, he said that it would 'provide the rural community with the new start, the fresh and positive start that so many are looking for'. It has done no such thing.

At the National Press Club four weeks ago, the Minister for Transport and Regional Services, Mr Anderson, announced a major initiative for the bush. He said he was going to call a summit. He said he was going to draw together business and community leaders from across the nation and he was going to ask them to help the bush. This proves that the government have failed the bush badly. They have no clear vision for rural Australia, and that has been reflected in the adhocery that has plagued the administration of this portfolio right from the beginning.

The government have pulled sensible and effective programs apart, only to attempt to rebuild them later. They were obsessed with free trade—an obsession that has at times clouded their judgment as to what is good policy for regional Australia—and now we are back to the beginning. It seems we are going to have a rural summit to sort out what we need to do to save the bush.

This failure has added to the burden for many Australians living in rural areas. It has been reflected in many votes of no confidence in Mr Anderson and calls from key organisa-

tions for his resignation as minister, and it has also badly damaged the National Party. This damage has been reflected not only in the rise of One Nation but also at the cabinet table in Canberra. The most recent example is the failure of the then minister, Mr Anderson, to gain cabinet endorsement for his plan for the future of the wool stockpile. He took a unified industry position to the cabinet room, and it and he were thrown out. Mr Anderson said in July 1996 that he belonged on the land and he would return to it. I suspect that this will happen sooner rather than later and that Minister Anderson will never lead the National Party.

Senator TROETH (Victoria—Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry) (12.59 p.m.)—Before I sum up the points on the Rural Adjustment Amendment Bill 1998, the FarmBis legislation, I have some information for Senator O'Brien. In a further response to your question on notice, the Tasmanian agreement on FarmBis has been signed off and the Queensland agreement is very close. I hope that clears up that misconception.

Senator Forshaw also commented that the AAA package carried on many of the supposed improvements made by the previous Labor government. I make no such qualification. The AAA package, which is Agriculture—Advancing Australia, is significantly different from anything that has been done before. Not only has this government introduced the Farm Family Restart Scheme to enable those families who wish to leave the farm in a dignified manner to do so; we have also extended pension eligibility to farmers and we have extended exceptional circumstances. We have not only introduced this legislation, the FarmBis legislation, but last week at the Wimmera field days I launched farm management deposits, which are a significant improvement on the previous IED and FMB schemes.

In response to your point, Senator O'Brien, the rural summit of 1996 mentioned by Minister Anderson not only brought forward the packages that I have just mentioned but also introduced a first in that it ultimately set up the Consultative Rural Finance Forum, which I chair and which is a forum which meets four times a year, enabling farmers to understand better how banks work and banks to understand better how farmers work. That has never been attempted before. On that forum we have representatives of the leading banks, we have rural counsellors and we have representatives of farming organisations; and that will, I hope, significantly extend farmers' and banks' knowledge of each other's operations.

As Senator Sandy Macdonald remarked, the introduction of the Farm Business Improvement Program under this legislation represents a significant shift in government assistance towards the farm sector in helping it adjust to the challenge that it faces. Senator Macdonald detailed that farmers will be encouraged to expand their range of management skills, seek farm business and financial planning advice, undertake farm performance benchmarking, implement quality assurance programs and invest in stronger risk management programs and natural resource management. All of this is vital to the continuing viability of agriculture in Australia if it is to continue to be competitive on world markets, which is where our future lies.

This program involves $50 million of Commonwealth funding over three years and it represents an integral part of this government's past and ongoing support for the rural sector and farmers throughout Australia, a group of which I am proud to have been one. I commend the bill to the Senate.

Question resolved in the affirmative.

Bill read a second time, and passed through its remaining stages without amendment or debate.

THERAPEUTIC GOODS LEGISLATION AMENDMENT BILL 1999

Second Reading

Debate resumed from 17 February, on motion by **Senator Abetz**:

That this bill be now read a second time.

Senator O'BRIEN (Tasmania) (1.04 p.m.)—Mr Acting Deputy President, I will be extremely brief on this matter. The amend-

ments to the Therapeutic Goods Act aim to provide a new framework for the regulation and management of complementary medicines. There are also a number of more general amendments to improve the overall efficiency and effectiveness of the act. There are a number of changes including some changes which might be described as administrative. Over 30 peak organisations were consulted at a forum for stakeholders regarding problems with the current regulation of complementary medicine, and I believe that the outcome of this legislation satisfies the concerns of industry. The opposition will be supporting this bill.

Senator TAMBLING (Northern Territory—Parliamentary Secretary to the Minister for Health and Aged Care) (1.05 p.m.)—I would like to thank honourable senators for their cooperation with this legislation, the Therapeutic Goods Legislation Amendment Bill 1999. The second reading of this particular bill was given here on 17 February this year and that followed very comprehensive and extensive negotiations with a lot of people and parties over the previous two or three months. It is important to recognise that this is significant legislation and is a major advance in the delivery of health care in Australia.

The reform of complementary medicine regulation has involved considerable negotiation and hard work on the part of many groups and individuals, and I would also thank the various political parties who have negotiated with us in recent days and have participated in comprehensive briefings. I trust that all of their issues have been properly addressed.

I would like particularly to pay tribute to the Complementary Health Care Council and the Proprietary Medicine Association of Australia for their commitment and contribution to this ongoing reform process. I am happy to reassure senators, in response to their representations, that the definition of 'mainstream media' contained in the bill is the same as that currently included in the Therapeutic Goods Regulations.

The term 'mainstream' is intended to encompass only mediums of mass communication, for example, national or regional newspapers or magazines. The term 'mainstream' is not intended to apply to internal industry or organisation publications such as newsletters or bulletins for practitioners or targeted organisation membership.

The reform package continues, and I can assure parliament that departmental officers have been actively consulting interested parties about the new regulations which arise from this legislation and the other complementary reforms.

I would also like to assure senators that it is the government's intention that the regulations will be agreed and ready for making at or shortly after the date of entry into force of those amendments in the act. I am also aware that the Scrutiny of Bills Committee addressed various issues relating to advice in their *Alert Digest* No. 3 of 1999. I have written today to the chairman of that committee, Senator Barney Cooney, addressing the issues that were raised and the advice that was sought. I am pleased to table a copy of that letter in association with this legislation. These reforms have been a long time in coming. With the help from various areas that has been received, I believe that we are striking the right balance between the needs of industry and the interests of consumers.

Question resolved in the affirmative.

Bill read a second time, and passed through its remaining stages without amendment or debate.

OZONE PROTECTION AMENDMENT BILL 1998 [1999]

Second Reading

Debate resumed from 9 December 1998, on motion by **Senator Ian Campbell**:

That this bill be now read a second time.

Senator FORSHAW (New South Wales) (1.09 p.m.)—I indicate on behalf of the opposition that we do not oppose the passage of the Ozone Protection Amendment Bill 1998 [1999].

Senator HEFFERNAN (New South Wales—Parliamentary Secretary to Cabinet) (1.09 p.m.)—The Ozone Protection Amendment Bill 1998 [1999] represents the most

recent step in Australia's response to the challenge of ozone depletion. It proposes amendments to improve the operation of the act's licensing and quota systems and to allow more effective and targeted regulation of ozone depleting substances.

The amendments reflect agreed solutions to issues encountered by the industry, government and community stakeholders. The decision to implement these solutions through legislation was taken following dialogue with industry and consultation with the Office of Regulation and Review. I would like to compliment the Senate and I thank senators for their contributions.

Question resolved in the affirmative.

Bill read a second time, and passed through its remaining stages without amendment or debate.

AGRICULTURE, FISHERIES AND FORESTRY LEGISLATION AMENDMENT BILL (No. 2) 1998

Second Reading

Debate resumed from 8 March, on motion by **Senator Ian Macdonald**:

That this bill be now read a second time.

Senator FORSHAW (New South Wales) (1.11 p.m.)—The Agriculture, Fisheries and Forestry Legislation Amendment Bill (No. 2) 1998 amends some five acts that deal with the rural sector. The first act I refer to in terms of amendments contained within this bill is the Agriculture and Veterinary Chemicals Administration Act 1992. The purpose of the amendment to that act is to ensure that Australia meets its obligations under the World Trade Agreement, article 39(3). The amendment ensures that we comply with the requirements of the TRIPS Agreement. The TRIPS Agreement is an agreement which in turn requires Australia to provide protection from unfair commercial use of data obtained during the evaluation of new agricultural and veterinary products. The amendment ensures that such data will not be available to commercial competitors for a period of five years without the approval of the originator of the data. We do not oppose that proposed amendment.

The second act is the Dairy Produce Act 1986. Briefly, the amendments here are to allow the Australian Dairy Corporation to make payments to dairy farmers and manufacturers in Victoria who were affected by and suffered some financial loss during the Victorian gas crisis last year. The Senate will be aware that this morning Senator O'Brien from the opposition moved that the Senate rural and regional affairs committee conduct an inquiry into aspects of the dairy industry, and that inquiry—which I do not wish to canvass at the moment—will provide an opportunity for the Senate committee to look at a whole range of issues that affect dairy farmers, in particular their financial position. We support this amendment because it does ensure that dairy farmers and manufacturers who suffered some financial loss during that crisis last year, because of levy payments that they still had to make on milk that ultimately was not available for consumption, will be given some redress in that regard.

The third act that is amended is the Export Control Act 1982. The amendments simply seek to clarify the power of the secretary to approve and administer quality and safety assurance arrangements for the production of prescribed goods for export. It also makes some amendments relating to the enforcement powers for the entry and search of premises or vehicles and for copying or seizure of evidence relating to export control matters. Of course, under the Export Control Act, the primary purpose in this regard is that the regulatory controls are necessary to ensure that prescribed goods for export are fit for human consumption.

The bill amends the Imported Food Control Act 1992. That act provides for the inspection and control of food imported into Australia and operates in conjunction with the Quarantine Act 1908.

The final act amended by this bill is the Plant Breeder's Rights Act 1994. The amendment is a technical amendment intended to streamline procedures under that act. The opposition does not oppose passage of the legislation, which will give effect to amendments to each of those corresponding acts that I have referred to.

Senator TROETH (Victoria—Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry) (1.16 p.m.)—I commend the bill to the Senate and I thank honourable senators for their comments.

Question resolved in the affirmative.

Bill read a second time, and passed through its remaining stages without amendment or debate.

AUSTRALIAN SPORTS DRUG AGENCY AMENDMENT BILL 1998

Second Reading

Debate resumed from 8 March, on motion by **Senator Ian Macdonald**:

That this bill be now read a second time.

Senator LUNDY (Australian Capital Territory) (1.18 p.m.)—The Australian Labor Party is proud to have introduced the original legislation in 1990 that resulted in the establishment of ASDA—the Australian Sports Drug Agency. At that stage the establishment of ASDA signalled the first time in the world that a drug agency had been established under government legislation. Labor's goal in establishing ASDA was to ensure that Australian athletes were able to perform and compete in an environment untainted by banned substances.

The use of illegal performance enhancing drugs has serious repercussions, as we have witnessed in both international and domestic sporting competitions. When Labor established ASDA, one of the key aims was to act as a deterrent to any athlete who might consider using prohibited substances. To achieve this goal, ASDA implemented a variety of strategies based on policy advice, education, advocacy and deterrence.

In 1996-97, ASDA performed a record number of anti-doping tests. Their success in preventing the use of illegal substances in sport is such that ASDA estimate that 99 per cent of athletes have been deterred from participating in banned doping practices since their programs began. In fact, ASDA has not had a single legal challenge against its testing program.

Since Labor created ASDA it has proven itself to be worthy of the exceptional international reputation it has gained, and ASDA's stated vision of being the leading drugs testing agency in the world is commendable and totally supported by the Labor Party. So too is ASDA's strategy to make its anti-doping programs available to both elite and non-elite athletes, and its role in education and policy advocacy is having a positive influence on young sports participants, who can now compete in the knowledge that every avenue is being pursued in their efforts against doping in sport.

The opposition is committed to seeing ASDA maintain its enviable reputation and will, therefore, be supporting this legislation. However, we do have several concerns that I wish to comment on. First, this legislation brings into effect two key objectives that were identified as part of the review of the principal act conducted in 1997. These objectives are: an increase in the flexibility of the agency in response to drug testing and procedural and policy requirements, and the continued protection of the rights of athletes to natural justice and privacy. The 1997 independent review of the principal act outlined the need for a comprehensive review of the legislation to enable ASDA to adequately meet the policy needs of international sporting federations and national sporting organisations in relation to the provision of drug testing services. However, only the test of time will tell us if the legislation provides effectively for that. I seek leave to incorporate the rest of my speech into *Hansard* for the purposes of saving time.

Leave granted.

The speech read as follows—

The IOC World Conference on Drugs in Sport was held in Lausanne, in February of this year. It failed to come up with a uniform stance on the imposition of penalties for the use of performance enhancing substances.

This resulted from FIFA, the international soccer body, and the International Cycling Federation vetoing harsher penalties for the use of prohibited substances for performance enhancing purposes.

This was a very disappointing outcome, considering that the summit was pushing only for a 2-year ban.

As I have stated on numerous occasions, Australia is a world leader in anti-doping technology. The

key to this is a process which involves independent investigation undertaken by ASDA, separate and transparent testing of samples through the Sydney based Sports Drug Testing Laboratory, and a process of information dissemination which directly engages with the athlete.

Given Australia's hosting of the next Olympics, and our excellent international reputation for being outspoken on drugs in sport, it was both disappointing and demoralising that the Minister for Sport failed to attend the conference proceedings.

The IOC is in need of an unambiguous position on the use of drugs in sport and the Australian Government should be doing its utmost to ensure that all practicable support is provided.

The *ASDA Amendment Bill* appears to be more directed towards some operational changes and the addition of new committees, rather than the comprehensive reforms which would enact the changes required for ASDA to continue to be at the forefront of antidoping agencies world wide.

What this Bill seeks to do is to move operational and other provisions currently in the principal act to subordinate legislation. This Bill will result in the establishment of an Australian Sports Drug Medical Advisory Committee, known as ASDMAC.

However it still allows the Australian Sports Drug Agency to provide services which test for the presence of substances that may affect competitors' judgement or safety.

As the Australian Sports Drug Medical Advisory Committee's primary functions will be to provide expert medical advice with respect to athletes, members will have to be professional appointees.

This particular aspect of the Bill raises some concerns over the powers given to the Minister over appointments and dismissals of ASDMAC members.

While it is necessary for there to be provisions within the legislation for members of Government boards to be dismissed, Labor does have some concerns about whether this method of appointments and dismissals of ASDMAC members might become politicised.

Although this issue is 'concerning' it is by no means concerning enough for the Opposition to seek amendments to this Bill.

Instead, the Opposition can only hope that the Minister will exercise these powers with due diligence and only on the most sound and serious advice to ensure that ASDMAC members are immune from the politics of sports doping.

The second concern that I wish to bring to the Senate's attention is the fact that there is no new funding allocated to ASDA to facilitate the administration of ASDMAC.

As such, its running costs in the first year must be absorbed into ASDA's core budget.

Considering the budget cutbacks that the Coalition has imposed on Australian sporting organisations, the lack of any additional financial commitment to ASDA is disappointing.

In this situation, the Government **must** ensure that the additional budgetary pressures do not compromise the other essential functions of the Agency.

We would not like to see a situation in which ASDA's ability to continue testing national and international competitors is in any way undermined because of stretched resources.

On a more positive note, what this Bill will do is establish a mechanism for the exchange of information between the Australian Customs Service and ASDA for the purposes of assisting with the Agency's testing program and activities.

The Opposition is therefore eagerly awaiting the necessary complementary customs legislation to ensure that it is both adequate and competent.

It must be noted that the Government intends to increase the level of administrative and coordination support that the Australian Customs Service provides to ASDA in relation to the illegal importation of banned sports drugs.

Given this, the Government must also address the issue of resourcing and ensure that Customs officials are provided with adequate training with respect to sports drugs.

I note that this Bill provides a legislative framework for State and Territory Governments to enact complementary legislation that will enable ASDA to undertake drug testing on State level competitors.

Whilst this is a positive step towards uniform antidoping procedures within Australia, at both National and State levels and across most sports, it should be noted that this Bill alone will not achieve this due to a requirement for State initiated complementary legislation.

The Government must therefore ensure that it proactively encourages States to engage in a State-testing regime under ASDA.

If it is found to be cost prohibitive for States and their sporting bodies to participate, given the lack of funds available to the smaller states in particular, then the Government should provide financial support.

However, Government support for state based drug testing should not stop there.

Australian scientists from Queensland are currently leading the way in the development of the first known detection test for human growth hormones in athletes. Associate Professor Ross Cuneo and Senior Research Scientist Jennifer Wallace, along

with Professor Rob Baxter from the University of Sydney, are part of an international team that announced a landmark breakthrough in the fight against performance enhancing drugs in February this year.

This scientific research and its application both nationally and internationally, will go a long way to ensuring that the sporting world is free from drug cheats.

The sporting community can be more confident that the best efforts are being made to ensure that sport is safe and clean.

As revolutionary as this new technology is, it is even more impressive given the fact that the scientists have received little Government support.

Labor will support the passage of the ASDA Bill through the Senate.

Whilst the Opposition has several concerns with this legislation they are not significant enough to amend the Bill.

As such the Government should accept this as an act of good faith on behalf of the Labor Party and that the opposition will closely monitor its implementation.

Senator LEES (South Australia—Leader of the Australian Democrats) (1.21 p.m.)—This is an issue I think has all-chamber support, that is, we must do everything we possibly can to make sure that drugs do not find their way into sporting competitions in Australia. The premier weapon that we are using is the Australian Sports Drug Agency.

These amendments today are basically another step in the fight against drug taking in sport, but we do have a number of concerns. The first is in respect of the funding for the Australian Sports Drug Medical Advisory Committee, which the amendments establish. We hope that annual funding is going to be automatic, that there will be a space in the budget and indeed that this will be taken up in the 1999-2000 budget, because it is imperative that the amendments do not create additional budgetary pressure on the Sports Drug Agency itself.

We welcome the continued protection of athletes rights in this legislation. As a former phys. ed. teacher I can say that I, amongst many, recognise the importance of encouraging young people—and, indeed, the not so young—to take part in sport. Australians are notorious for their interest in watching sport and we can only hope that we can actually get more of them out there doing something.

It is the importance that we place on sport in this country that has given the impetus for us to really strengthen and support ASDA and to encourage them to maintain a first-class reputation in the fight against drugs in sport. But it is necessary to remain ever vigilant. The Sydney 2000 Olympics provide an ideal opportunity to demonstrate our commitment to this, to renew people's faith in the sporting ideals of fair play and success, and to ensure that is gained through hard work and training, not through any enhanced performance from drug taking.

Surveys tell us that the vast majority of athletes, of coaches and of Australians generally support what is being done. So it is very important that we do not unintentionally undermine our current drug testing regime. There will always be unscrupulous individuals out there and, unfortunately, coaches too who will take opportunities if we leave a door even slightly ajar. It is imperative that ASDA has adequate funding to enable testing to have the maximum chance of detecting drug cheats. As we watch the development of further testing for the new varieties of drugs that are appearing, it looks as if future testing is going to be even more expensive than some of the current testing regimes, particularly as we move in to try and track down some of the hormonal products being used, the blood doping, et cetera, which are very difficult at the moment for us to detect. Looking across the new range of drugs, including the human growth hormone, EPO and the growth factors, it seems they are each going to require a specific test. That, in itself, is going to lead to additional costs.

It is against this background that we are introducing these amendments today. ASDA provides government funded testing for both in and out of competition situations. There are arguments that the out of competition testing, the random testing, is the most likely to detect those people who are trying to cheat and is therefore the most cost effective. However, there needs to be an adequate level of each type of testing in the armoury of ASDA and, of course, of the national sporting organisa-

tions to deter actual and potential drug cheats, to allow for the testing of world record performances and also for us to comply with our international obligations in this area.

One of our major concerns is that over the last 18 months there has been a move to increase the level of user pays within the government funded competition drug testing program—that is the in competition part of it. We want to put our very real concerns on the record about where we are going now. It has been made quite clear to us by a number of national sporting organisations that this move to user pays in the in competition testing is going to be detrimental to sports drug testing efforts overall. National sporting organisations which host international events are contractually bound to provide the drug testing. Now that they are bound to find the cost of half of that testing we need to look very carefully at what that is doing to the viability of holding international events in this country.

My final comments are directed at another specific area of concern the Democrats have with the legislation. The amendments provide for the formation of a foundation that will raise money for the support of the agency's research and education and information dissemination functions. The amendments provide the agency with two new functions that will enable it to 'collect, analyse, interpret and disseminate information about the use of drugs in sport', which will aid in its sports drug education function, and to 'conduct research relating to the use of drugs in sport' and disseminate the results of that research.

We are concerned that any foundation established could threaten the independence and integrity of the agency or may well be a precursor for subsequent governments to eventually privatise the functions of the Australian Sports Drug Agency. I think it is timely here for us to remind ourselves of what ASDA's mission is. It is 'to provide an independent, high quality and accessible anti-doping program to enable Australian sport to deter athletes from banned doping practices'. Indeed, the Australian Olympic Committee states that the success of ASDA has been largely due to its independence from sporting organisations. It is widely recognised as being impartial and effective in fulfilling its role in testing Australian athletes without fear or favour. No sport is exempted. In summary, the Democrats do not want to see this independence threatened by inadequate funding, by the overemphasis on user pays or by the move towards a privatised agency.

Senator HEFFERNAN (New South Wales—Parliamentary Secretary to Cabinet) (1.28 p.m.)—I thank Senator Lundy and Senator Lees for their contributions and I note the remarks on funding and the concerns of the Democrats. In summary, this bill will provide the framework for Australia to again establish the benchmark for Australia's best practice for anti-doping regimes. Australia then will be well prepared for the challenges of the 2000 Olympics and beyond. I commend the bill to the House.

Question resolved in the affirmative.

Bill read a second time.

In Committee

The bill.

Senator LEES (South Australia—Leader of the Australian Democrats) (1.28 p.m.)—I am aware that we are very short of time and I am quite happy if you take these questions on notice. I just want some further clarification about the responsibility now that the various organisations have to fund testing. I ask you this particularly in the area of athletics, cycling, swimming, but maybe just starting with athletics: is it the case now that they do have to pay for five of the 10 tests at an international event? And is the cost something like at least $2,500 to $3,000?

I am more than happy for these questions to be taken on notice. Could we also please have information on other international sporting events in this country and what the various organisations are now up for for that user-pays component they have to pay?

Senator HEFFERNAN (New South Wales—Parliamentary Secretary to Cabinet) (1.29 p.m.)—I am more than happy to take those on notice.

Bill agreed to.

Bill reported without amendment; report adopted.

Third Reading

Bill (on motion by **Senator Heffernan**) read a third time.

MOTOR VEHICLE STANDARDS AMENDMENT BILL 1998

Second Reading

Debate resumed from 8 March, on motion by **Senator Ian Macdonald**:

That this bill be now read a second time.

Senator MACKAY (Tasmania) (1.30 p.m.)—The opposition is happy to support this non-controversial legislation as a step in the right direction on controlling greenhouse gas emissions. The Motor Vehicle Standards Amendment Bill 1998 broadens the definition of a vehicle standard used in the Motor Vehicle Standards Act 1989 to include standards for energy saving, creates the position of Associate Administrator under the act and restores some provisions removed or affected by previous amendments.

I would like to comment extremely briefly on the first purpose of the bill which I mentioned—that is, the broadening of the definition of motor vehicle standards. It is an offence to sell or manufacture a car that does not comply with regulations made under this act. The purpose of the standard for energy saving will be to provide consumers with comparisons about fuel consumption, the idea being that making this information available will be a discipline measure on car manufacturers to reduce fuel consumption and therefore car energy consumption.

The opposition supports this measure. We support the extension of a principle already applied to many whitegoods which enables consumers to look at a product and compare an apple with an apple and determine whether in fact it is value for money or to make assessments based on energy saving. We in the opposition think this idea can in fact be taken further and that this requirement could be extended to the advertising of vehicles, as the shadow minister for transport has suggested in the other place. We believe this would help to impose further discipline on manufacturers whose advertising, quite frankly, sometimes has very little to do with cars. We make this suggestion to the government as something perhaps worth thinking about.

Cars are the major culprit for transport industry greenhouse gas emissions in Australia. While transport is responsible for less than one-fifth of the greenhouse gas emissions, it is clear that we must address the problem and this is, as far as the opposition is concerned, another step in doing that. In conclusion, I wish to restate the opposition's support for the bill and particularly the initiative on fuel consumption labelling.

Senator HEFFERNAN (New South Wales—Parliamentary Secretary to Cabinet) (1.32 p.m.)—I thank Senator Mackay for her contribution and commend the bill to the Senate.

Question resolved in the affirmative.

Bill read a second time, and passed through its remaining stages without amendment or debate.

NATIONAL MEASUREMENT AMENDMENT (UTILITY METERS) BILL 1998

Second Reading

Debate resumed from 15 February, on motion by **Senator Minchin**:

That this bill be now read a second time.

Senator STOTT DESPOJA (South Australia—Deputy Leader of the Australian Democrats) (1.34 p.m.)—The National Measurement Amendment (Utility Meters) Bill 1998 is intended to provide mandatory requirements for specified utility meters as recommended by the Review of Australia's Standards and Conformance Infrastructure—the Kean review.

The bill provides for mandatory pattern approval of meter designs to ensure conformance to acceptable standards and the verification of production meters to ensure that each meter conforms to the pattern and operates within the permissible error range. It also provides an auditing scheme for these verified meters.

In addition, the bill creates an enforcement regime, with provisions dealing with the appointment of authorised officers and powers and obligations of those particular officers. It also includes warrant issuing provisions and search and seizure powers.

The bill addresses a number of longstanding consumer concerns about the accuracy and the quality of water, electricity and gas meters. We believe this is becoming more and more important as we witness the continuing privatisation of utilities by states and territories. Deregulation of utilities by governments also makes the external supervision of utility metering quite desirable.

The bill is also intended to provide conformity in the utility meter market nationally. These goals, of course, we consider in line with the Democrats' concerns regarding consumer affairs and trade policy. However, the bill provides only for testing and approval at the time of manufacture. By agreement, filled re-verification of meters will still be a matter for utility authorities. The Commonwealth, of course, has constitutional power over weights and measures.

There are slight increases in costs to both the utility meter manufacturers and to the National Standards Commission, which will coordinate this new system. However, there is one concern which I will address briefly—that is, the increasing moves to give law enforcement powers to organisations outside traditional law enforcement structures.

In this piece of legislation, division 5 provides enforcement and monitoring powers. Certainly, I and my colleagues remain a little curious as to why these powers need to be elaborated in bills such as this, resulting in almost a proliferation of law enforcement mechanisms. It would seem far more reasonable not to slip extra implementations through in otherwise non-controversial legislation.

The powers themselves are not particularly controversial. I guess in many respects they are similar in many ways to those provided in the area of taxation. The Democrats have weighed up this case. We consider they are appropriate in this circumstance, but we certainly want to put on record our concerns about the proliferation of such power.

I also wish to add a reminder that we will monitor the use of these powers and will move to amend them if we detect any abuse. In the case of this bill, our concerns are outweighed by the improvements for consumers and better regulation of the national and international market for utility meters.

Senator SCHACHT (South Australia) (1.37 p.m.)—They say things are often slow in politics. This bill came out of the recommendations of the Kean review, a review I established and commissioned in 1994-95 when I was the minister responsible for the National Standards Commission and metrology policy for the Australian government.

While I was minister it became clear to me, after advice from a lot of industry groups, that Australian industry was being penalised by the lack of a national measurement or metrology policy. We have discovered that, despite the Constitution giving the federal government power over weights and measures, it being clearly a federal responsibility, most issues dealing with weights and measures, or measurement and standards issues, were left to be dealt with by the states. As a result, Australia has penalised itself consistently throughout this century by not adopting national legislation on measurement, standards or the use of metrology—an obscure word which often some people think means meteorology. Metrology is the word to describe the whole policy in this area.

I congratulate Bruce Kean, a former chief executive of the Boral company, for the enthusiastic way he and his committee, over a period of nearly 18 months, conducted the inquiry and made extensive recommendations. I am pleased to say that, after the change of government, the new government basically accepted the thrust of the major recommendations. This legislation is a result of one of those recommendations in the Kean report:

> The National Measurement Act be amended to provide for mandatory requirements for specified utility meters and legal measuring instruments and that these requirements be based on those adopted by the International Organisation of Legal Metrology.

This is one of the recommendations and I hope that the minister responsible, Senator

Minchin, is able to implement the rest of the recommendations of the Kean report in a speedy and timely manner.

We do need to have a national metrology policy run by the Australian government. We should not leave it to the states, either by accident or design, because we will not get the benefits of having the efficiency for manufacturers, industry and consumers of national standards for measurement in this country in all their variations.

The Kean report found that metrology impacts on the Australian economy in respect of goods and services traded and measured by instruments to the tune of around $140 billion every year. That just shows you the size of the problem and shows that, if you do not have an efficient metrology policy, you will not end up having efficient industry. You will make yourself less competitive internationally.

I note that there was some controversy. Some states dislike giving up weights and measures and handing them over to the federal government because state ministers for consumer affairs believe that they ought to be running those arrangements. In the long term all of those issues should be transferred to the federal government, as the Constitution requires. Weights and measures are in the federal Constitution as a federal responsibility. There can be no argument, and not even the most fervent states righter I ever came across disagreed with the view that, if the federal government chose to take full control of weights and measures, those powers and activities would be transferred to the federal government.

This is a matter of economic efficiency for the country, for industry, so that you do not end up with six states and two territories having different standards on measurements and so that when an industry is trying to find a measuring instrument it does not have to design it eight different ways to account for state and territory differences. We found that every year in Australia literally tens of thousands of utility meters have to be produced, and each state had a different standard. This meant that even the manufacturers—and I think Email was one of them—complained that, if they could have one standard for utility meters for the whole of Australia, they would then be able to make them competitively and actually export them.

It seemed to me the case was incontrovertible; there could be no argument. But you could not imagine the stupidity of some people who argued state rights on this, to the detriment of our Australian industry. The second reading speech and those of other speakers, including that of my colleague Martyn Evans, the shadow science minister, made that point.

Now that we are moving into privatised electricity and water services and there is competition and you have different companies competing to provide the service, it is absolutely essential that everybody has trust that the meter which measures the electricity or the water being provided is absolutely accurate. Evidence was given to the Kean review that some of these utility meters were up to 40 per cent out in their accuracy in measuring the amount of water or the amount of electricity, particularly water. As Senator Stott Despoja said, this is a consumer issue. It is also an industry issue. I am delighted that, although it has been 4½ years since the Kean report came down, the government has put this legislation through the parliament.

I conclude by saying that the opposition has great pleasure in supporting the legislation. It came from an initiative we started in government. All I can say is that I hope that the minister responsible for metrology policy, who I believe is Senator Minchin, gets on with checking that all the rest of the recommendations of the Kean review are being implemented, to the benefit of Australian industry and Australian consumers.

Senator HEFFERNAN (New South Wales—Parliamentary Secretary to Cabinet) (1.44 p.m.)—I thank Senators Schacht and Stott Despoja for their contributions. I am sure Senator Minchin will be listening to you, Senator Schacht, and I commend the bill to the Senate.

Question resolved in the affirmative.

Bill read a second time, and passed through its remaining stages without amendment or debate.

TAXATION LAWS AMENDMENT BILL (No. 5) 1998

GENERAL INTEREST CHARGE (IMPOSITION) BILL 1998

Second Reading

Debate resumed from 17 February, on motion by **Senator Abetz**:

That these bills be now read a second time.

Senator SHERRY (Tasmania) (1.46 p.m.)—In commencing my contribution on the Taxation Laws Amendment Bill (No. 5) 1998 and the General Interest Charge (Imposition) Bill 1998, I would indicate that the Labor opposition will be supporting this legislation, which amounts to the fifth omnibus tax bill for 1998. It covers areas relating to reforming the tax penalty arrangements, the alteration of aligned remittance dates, the introduction of running balance accounts and tax avoidance—foreign tax credit schemes.

The first three proposals are all related, as together they allow a significant streamlining and simplification of the administration and compliance—and I will have a little more to say about the administration and compliance—with taxpayer, and especially employer, obligations under taxation law. The tax office will, as a result of this legislation, become more efficient and effective in collecting outstanding tax debts, and tax compliance will be much simpler for employers.

While these initiatives are being undertaken in the preparation for the introduction of the goods and services tax—and I stress that there is no doubt that one of the central tenets of this legislation is the preparation of the introduction of the goods and services tax—they are, in their own right, significant and worthy. Therefore, the opposition supports them. These initiatives, Labor believes, prove the election position that Labor took, that significant administrative and compliance simplification is possible without a goods and services tax.

On the issue of compliance and administrative issues relating to the wholesale sales tax that is being replaced by a goods and services tax, Labor observes that what is known as the ANTS document, the government's tax proposals, on page 8, says that the current tax system is ineffective and provides a crumbling base from which to deliver the necessary revenue to fund essential government services. It goes on to say that the indirect tax base would continue to decline, rates would need to be increased again, and this debilitating cycle would continue.

There is a range of mantras that have been uttered, assertions made, by the government—the Prime Minister, the Treasurer, the Assistant Treasurer—the head of Treasury, Mr Ted Evans, and a range of other people who have put submissions to, for example, the select committee considering Australia's new tax system, that the tax system is broken. That is an assertion that Labor strongly rejects, at least in the context of the wholesale sales tax.

Let us look at the ANTS document. It is interesting that the revenue measures table in relation to the wholesale sales tax abolition, which appears on page 33, in part proves our case. The estimated loss of revenue as a result of the GST replacing the WST—in part, at least, in the name of administrative efficiency—in 2000-01 is $15.3 billion; in 2001-02, $17.75 billion; and in 2002-03, $18.75 billion. In other words, the revenue that is being forgone as a result of the replacement of the WST by the GST is increasing. What is interesting also in the ANTS document is that there is no data or analysis in respect of the continual assertions made that the revenue from the WST is collapsing or has collapsed.

It is interesting in this context to look at the definition of the words 'broke' and 'broken' in the *Shorter Oxford Dictionary*. The word 'broke' is defined as 'without money, penniless, ruined, bankrupt'. In respect of 'broken', the definition is 'financially ruined, bankrupt'. I think in the context of the current policy debate about tax reform, those definitions in the *Shorter Oxford Dictionary* would be in accord with the common understanding in the general community of the meaning of the words 'broke' and 'broken'.

It is also interesting to note that, in the recent modelling that was provided to the Senate select committee from two sources, Professor Dixon and Professor Murphy, certainly Professor Dixon seriously questioned

the assertions that are made that the revenue from the wholesale sales tax is declining. He provided long-run estimates of the impact of retaining the current tax system, particularly the wholesale sales tax system. I will speak more about that on another occasion.

I want to conclude my remarks by pointing to a recent press release put out on 4 February 1999 by the Minister for Finance and Administration, Mr John Fahey. Again, this relates to the issue of the revenue being generated from the current tax system, and I refer here to the Commonwealth government's statement of financial transactions—CFT—of December 1998. In this press release, I think Minister Fahey quite rightly and proudly points to revenue collections for the cumulative six months to December 1998-99 compared with the revenue collections for the six-month period up to 1997-98. He indicates that total revenue collections were up 10.3 per cent.

It is more interesting to look at the breakdown of revenue collections for that six-month period. As I said earlier, we have had the continual assertion that the wholesale sales tax system is broke or broken. What do we see in the revenue collections put out in this press release? The collections of the wholesale sales tax in that six-month period went up—and I stress 'went up'—by some 9.1 per cent over the previous six months. That is hardly evidence that the wholesale sales tax system, at least in terms of revenue collection, is broke or broken.

What was even more interesting was that, on the same day that Minister Fahey put out this press release—I do not know the location—the Treasurer, Mr Costello, was continuing to assert in public statements that the tax system was broken. I think his words were that anyone who asserted the tax system was not broken must be living on another planet. I do not know what planet Mr Fahey was on that day. On the one hand, you had Mr Fahey boasting about the increase in revenue collections—including an increase in wholesale sales tax collection of 9.1 per cent—and on the same day, you had the Treasurer, Mr Costello, continuing to assert that the tax system is broke or broken.

I also do not know what planet this government is on because they continue—and there are a range of other materials that we will refer to at another time—to tell us that the wholesale sales tax system is broke or broken, when clearly in terms of revenue collection it is not. We had a 9.1 per cent increase in revenue collection of wholesale sales tax and there is a range of other evidence on this issue. As I say, we will be referring to it at another time.

To conclude my remarks, I reiterate that the Labor opposition does support this omnibus tax bill, even though, certainly in our view, it is being presented, at least in part, in preparation for the introduction of the GST. The reforms in their own right are significant and worthy and are indicative of the approach to taxation reform that the Labor opposition took to the last election. We believe they should be supported for that reason but certainly not on the basis of the continually misleading claims that are made about the current status of the tax system in this country.

Senator HEFFERNAN (New South Wales—Parliamentary Secretary to Cabinet) (1.55 p.m.)—I thank Senator Sherry for his contribution and commend these bills to the Senate.

Question resolved in the affirmative.

Bills read a second time, and passed through remaining stages without amendment or debate.

Sitting suspended from 1.57 p.m. to 2.00 p.m.

QUESTIONS WITHOUT NOTICE

Jabiluka Uranium Mine

Senator BOLKUS—My question is addressed to the Minister for the Environment and Heritage, Senator Hill. Can the minister confirm that the World Heritage Convention nominates the International Union for the Conservation of Nature and the International Council on Monuments and Sites as the independent advisory bodies to the World Heritage Committee? How then does the minister justify writing to the Chairman of the World Heritage Committee, indicating that in the view of the Australian government neither

of these two bodies can be considered an appropriate independent source of advice in relation to Jabiluka?

Senator HILL—I welcome a second question in five months from Senator Bolkus as the environment spokesman for the Labor Party. I know that it takes some batsmen a while to work themselves into form, but two questions in five months probably better reflects a disinterest in the subject matter. It is about time the Australian Labor Party started to take environmental issues seriously and started the development of a policy, because the Labor Party has a clean slate. They have cleaned the slate and they have to start afresh—and anyone who read what they had the gall to call an environment statement that they put down in the last election would think starting afresh was reasonable. Anyway, next week Mr Beazley is going to put down a vision statement. What do you do when you don't have policies? You have vision statements. I seem to remember hearing that before, some years ago, from the other side.

The PRESIDENT—Senator Hill, can I just remind you of the question.

Senator HILL—Yes, Madam President; I was just getting around to that. I hope that the vision statement will include the environment and I hope that Senator Bolkus will be able to work to that vision statement and start getting some rules under which to operate. Then he might ask some more questions in this place. Senator Bolkus asked about the independence of ICOMOS. Who is the Australian representative on ICOMOS? Barry Jones. Isn't Barry Jones the federal president of the ALP? He also asked about the independence of IUCN. Do you remember that IUCN were the ones who put out the booklet with the Ranger containment dam—

Senator Faulkner—Hilarious.

Senator HILL—Well, it was interesting because they said the containment dam was a pristine natural environment. IUCN already have a position on Jabiluka. IUCN have passed resolutions at their international body condemning Jabiluka. So how can a body that has condemned Jabiluka be asked to give independent advice on the issue? That is the basis of my concern, and it seems to me to be a very reasonable concern. We have said that we want the World Heritage Committee to consider this matter objectively and fairly. We want them to consider it on the basis of the correct information and not on the falsehoods that have been perpetuated by the ALP—and also by the Australian Democrats—direct to the international body rather than through Australian political sources. On that basis there will be no alternative but to find that Kakadu is not in danger. How could it not have been in danger with the huge open-cut Ranger uranium mine over the 13 years of Labor and then possibly now be endangered by a much smaller, underground, more modern mine such as Jabiluka?

Senator BOLKUS—Madam President, I ask a supplementary question. The minister knows full well there are different issues involved here. He also knows that these two bodies are the independent bodies under the convention. I ask the minister: in his correspondence to the committee, did he also suggest that the Australian government had a list of suitable experts of its own to undertake the review of Australia's position on Kakadu? Is the minister at all concerned that such arrogant behaviour is undermining not just Australia's reputation internationally but also the world heritage system?

Senator HILL—I have said to you that the IUCN cannot be seen as an independent party—

Senator Bolkus—You want to appoint your own judges.

The PRESIDENT—Senator Bolkus!

Senator HILL—when it passes judgment in advance. How can that possibly be so?

Senator Bolkus—You want to appoint your own judges.

The PRESIDENT—Senator Bolkus, you have asked your supplementary question, and Senator Hill has the call.

Senator HILL—The point is that there are many alternative independent experts that could help the committee reach a fair and objective decision, and the Australian government would be very pleased to suggest to the World Heritage Committee some such experts. On that basis, we will get a fair hearing

in June in Paris, and the body will decide there can be no question of putting this world heritage area on an endangered list.

Employment: Growth

Senator COONAN—My question is directed to the Minister representing the Minister for Employment, Workplace Relations and Small Business, Senator Alston. The dynamic economic management of the coalition government has resulted in Australia being the economic powerhouse of the region and the fastest growing economy in the OECD. Will the minister inform the Senate of today's labour force figures, and what are the implications of those figures?

Senator ALSTON—This is very good news for all Australians—except, of course, those on the other side of the chamber—because it confirms that the Australian economy is powering ahead and that we are in a position now to generate the jobs that Australians desperately want and which were denied to them under the previous regime. Today's unemployment figure is 7.4 per cent, the lowest since 1990—remember the recession we had to have? So this is very good news. It means that employment increased by 32,900 in February. The great majority of the new jobs are full time. Part-time employment grew by a mere 3,100.

The teenage full-time unemployment rate fell slightly, but it is still far too high. More does need to be done. I think we all know that, but the difference is that some of us are prepared to do something about it. The tragedy is that those on the other side of the chamber simply are not interested in the right policy prescriptions. They are interested in political opportunism. So Labor opposes the government's Work for the Dole scheme. Labor allows the unions to torpedo Work for the Dole projects in New South Wales. Labor opposes our sensible approach to youth wage rates, and Labor opposed the unfair dismissal legislation, despite all the advice they would have got from the Blair government and others about this being a very important initiative to take.

What is the alternative to the approach of the federal government? We are going to hear a bit more about it on Tuesday. But, remember, it is against the background of what Mr Beazley had to say to Graham Richardson today. He said, 'We won't be announcing any more policy for a couple of years. Over the course of the next 12 months we are going to come up with the skeleton of a substantial series of initiatives.' It is pathetic to think they can waste the last three years doing nothing, yet have another two years of more of the same. You cannot have any sense of where you are going if you are looking in the rear-vision mirror. What we are going to get on Tuesday is not a headland statement; it is going to be a headless statement. They are going to try to fill a vacuum with a bigger black hole than they already have. That is not good enough.

Disraeli might have invented the policy of drift, but Kim Beazley sure is on the way to perfecting it. It simply will not do anything to restore the stocks of the Labor Party. It will do absolutely nothing to cure some of the endemic social problems that we have in this country. That vision statement, as it is so-called, is the perfect opportunity. But most of that is back to the future stuff anyway. We read in today's *Financial Review* that Labor MPs have argued that disunity had arisen because there was a policy vacuum. Now they cannot even agree on whether there is disunity or not because Simon Crean says there is and Kim Beazley says there is not.

We are now told that this review of policies—people have been beavering away all this week—will possible include a European style national insurance scheme. You know where that idea came from? It came from 'Australia reconstructed', the 1997 trade union movement blueprint for rescuing Australia. So what we have is 'Australia reconstructed' turned into Labor unreconstructed—in other words, they are going back to the failed old policies. Sure, there might be a few people attracted to Swedish models, but Swedish pension schemes are not the way to tackle today's current problems. The people of Australia are not looking for simply more handouts through a government pension scheme. They are looking for opportunities to get out into the work force and earn for

themselves, provide for their own retirement and get real jobs—not make work, sit on the sidelines, be amused by labour market programs. These are the real challenges, and that is why those unemployment figures are very encouraging. But there is a lot more to be done. *(Time expired)*

Taxation: Accelerated Depreciation

Senator COOK—My question is addressed to the Assistant Treasurer, Senator Kemp. Could you explain to the Senate what are the benefits to Australia's agricultural and resource industries from the abolition of accelerated depreciation in exchange for a 30 per cent company tax rate? Would the abolition of accelerated depreciation be more beneficial to capital intensive industries or labour intensive industries? Minister, do you support the retention or abolition of accelerated depreciation?

Senator KEMP—Thank you, Senator Cook, for that question. Senator Cook and I differ on the purposes of a tax system. The Senate may be aware of a statement that Senator Cook made some years ago that distinguishes very clearly the difference between my position and that of Senator Cook's. This is what Senator Cook said:

> The Labor Party is a high taxing party. It needs to be to carry out its reforms.

That is what Senator Cook told a tax forum at the University of Melbourne. That is the difference between Senator Cook's position and my position on tax. The Labor Party is a high taxing party; we are a low taxing party.

Senator Conroy—Why don't you just hand your commission over to Winnie?

The PRESIDENT—Order! Senator Conroy!

Senator KEMP—Senator Cook raised the question of accelerated depreciation. That is one of the issues which is currently before the Ralph committee. It is an issue which I think a number of people are focusing on. One of the terms of reference of the Ralph committee is to look at the possibility of moving to a 30 per cent company tax rate. One of the issues involved with that is that of accelerated depreciation. If Senator Cook has particular views that he wants to put to the Ralph committee—it would be the first time that Senator Cook had made a constructive contribution to the tax debate—he is quite entitled to put them. This is one of the issues which is before the Ralph committee and the wider public. If people like Senator Cook wish to make submissions to that committee, they are more than entitled to do so.

Senator COOK—Madam President, I ask a supplementary question. Minister, if you do quote me, please quote the whole of the comment and not just that part of the comment that suits you. Are you aware that Mr John Akehurst, the Managing Director of Australia's largest oil and gas producer, Woodside Petroleum, said this morning that the removal of accelerated depreciation will be 'very detrimental' to the liquefied natural gas industry and will result in significant international investment being moved to non-Australian fields? In the light of your previous answer, Minister, do you believe that the managing director is wrong in holding this view?

Senator KEMP—Can I say to Senator Cook, the quote I had before me I think I quoted accurately.

Senator Cook—No, you did not.

Senator KEMP—If you have other matters you wish to add to that quote, Senator Cook, if you were to stand up after question time and give a view, I think that would be most welcome.

Senator Cook—No you did not. You are lying.

Senator KEMP—Keep calm, Senator Cook; keep calm. Senator Cook seems to have missed the point of my answer.

Senator Alston—Madam President, I raise a point of order. In his enthusiasm to keep his foot on the exhilarator, Senator Cook managed to forget himself to the point where he accused Senator Kemp of lying. I do not think even Senator Cook could contest that that is unparliamentary, and I would invite you to ask him to withdraw it.

The PRESIDENT—I would ask you to withdraw that remark, Senator Cook.

Senator Cook—I withdraw that remark. I also note for the record that this is a total misquoting—

The PRESIDENT—Senator Cook, resume your seat.

Senator Cook—I never asked him a question about that.

The PRESIDENT—Senator Cook, there is an appropriate time for you to—

Senator Cook—The first time this bloke breaks his duck and actually answers a question will be a record in this chamber.

The PRESIDENT—Senator Cook, you are out of order.

Senator KEMP—Thank you, Madam President. That was a very unkind comment by Senator Cook. I was reading to the Senate his second most famous quote.

Senator Cook—Answer the question, dope.

Senator KEMP—Senator Cook, the answer to the question is that we are bringing in a tax reform program which is good for the Australian economy, good for industry and good for employment. Senator Cook, if any particular person wishes to make their views known, they are quite entitled to do so. We have a process in which those particular views can be assessed, and it is called the Ralph committee consultation process. *(Time expired)*

Parthenium Weed

Senator BOSWELL—My question is addressed to the Minister for the Environment and Heritage, Senator Hill. Is the minister aware of the threat to the environment, farm management and human health posed by the spread of parthenium weed in the major catchment areas in Queensland, and that this threat now reaches into New South Wales and the Northern Territory? Is the minister aware of requests from concerned landowners that the parthenium weed be placed on the list of weeds of national significance in order to coordinate a national plan of containment and eradication? What action is the government taking on this very important matter?

Senator HILL—I note the Labor Party laughs at this very important issue. Senators on the government side recognise that weeds are one of the most important environment issues facing Australia, and one of the most important issues in terms of the economic productivity of our agricultural sector. I am pleased to say that there is now a government in Australia that takes this issue seriously and is doing something about it.

In relation to the weed specifically referred to by Senator Boswell, parthenium, I can tell him—and he would be pleased to hear—that within the Fitzroy Basin the federal government, under the Natural Heritage Trust, recently gave a boost to the campaign against that weed: $150,000 to the Parthenium Action Group. The Natural Heritage Trust, of course, is a $1.25 billion fund that was set up by the Howard government to address the major environment issues facing this country.

There are some 2,750 plant species currently reported as weeds in Australia, which gives some indication of the complexity of this particular issue. Of course, these are challenging both the natural environment and agricultural productivity country-wide. This government took the decision that it would be useful to determine a list of weeds of national significance in order that there might develop a cooperative response between the Commonwealth government and the state governments, through their agencies which are primarily responsible for addressing this particular issue.

I am pleased to say that the development of that list, under the National Weeds Strategy—another initiative of this government—is well advanced, and that the three ministerial councils and ministers, state and federal, under the portfolios of environment, forestry and agriculture, are about to tick off on a list of 20 weeds which will be regarded as the weeds of greatest significance nationally. They will come from a list of some 71 that were submitted by state agencies—all most important in their own right. The next step will be to determine action plans, to be led by individual state agencies, for research, management, and all the various facets that are needed to provide a comprehensive national response to this major challenge.

There are two more points that I want to make. The first is that the government has made a commitment to an alert list—the other lot would not know this because they did not

read the coalition's environment policy at the last election—of introduced plants in Australia that are not yet out of control. This is one of the great challenges: to tackle the task before it gets out of control. These are weeds that are not yet out of control but pose a high risk to our environment. This will be used to ensure that these species do not become major problems.

Also, I can inform the Senate that new weed assessment protocols have been developed to screen proposals to import new plant species, and these protocols are being implemented by AQIS. So we are taking action to try to avoid the problem for the future that has been created in the past, to manage weeds that are a danger but not out of control and implement a national program to really address those that are out of control that are going to need a major comprehensive and coordinated national response.

Senator Faulkner—Madam President, I raise a point of order. I ask the minister to table the document from which he was trying to read.

The PRESIDENT—It is a matter for the minister.

Senator HILL—No.

Taxation: Farm Family Trusts

Senator HOGG—My question is addressed to the Assistant Treasurer, Senator Kemp. I refer the minister to the remarks made by Mr Ken Crooke of the Queensland National Party and his statement that there seemed to be a lack of understanding within government about the importance of the trust system in rural Australia. Does the minister agree with Mr Crooke's observation? Given that farmers insist that they commonly use the trust system to ensure the transfer of the family farm to their children rather than for tax avoidance, will the government be exempting farm family trusts from the entity taxation proposals as it has with cash management and other forms of trusts?

Senator KEMP—Thank you, Madam President.

Senator Conroy—You should have asked that, Bill.

The PRESIDENT—Senator Conroy, stop shouting. You have been doing it throughout question time.

Senator KEMP—One of the issues that the coalition went to the election on was concerned with the taxation of trusts and equally my understanding was that it was a policy that was picked up by the Labor Party. I understand that that is probably still the Labor Party's problem. We announced that this issue would be examined within the context of the Ralph review. The Ralph report was issued on 22 February. At the time of the release, the Treasurer announced that cash management trusts would be subject to flow through taxation under the new business tax entity regime. This would ensure there were no adverse cash flow benefits for individuals receiving distributions of assessable income from cash management trusts.

The PRESIDENT—It is almost impossible for me to hear what Senator Kemp is saying because of the level of noise on my left. I would ask senators who are speaking to do so more quietly, if they must.

Senator KEMP—If Mr Crooke wants to put any views to the Ralph committee, he is perfectly entitled to do so.

Senator HOGG—Madam President, I ask a supplementary question. In attempting to answer my question you failed to answer it. I asked: will the government be exempting farm family trusts from the entity taxation proposals, as they have for cash management and other forms of trusts? You failed to answer that part of the question. Is the minister further aware that Queensland National Party officials have branded proposals to change the way family trusts are treated under the taxation system as unacceptable? Does the minister believe that the taxation of farm family trusts is unacceptable and the Queensland National Party officials have simply got it wrong and that they should support the taxation of farm family trusts?

Senator Conroy interjecting—

The PRESIDENT—Senator Conroy, I have spoken to you before during this question time.

Senator KEMP—The National Party people you have purportedly quoted—and I do not know whether you have quoted them correctly or not; it would surprise me if you read out a correct quotation, Senator—are entitled to put their views. As I said, the issue of trusts is one of the issues which is before the Ralph committee. If people wish to put views to that committee, they certainly can.

Genetically Modified Food

Senator STOTT DESPOJA—My question is directed to the Minister representing the Minister for Health and Aged Care. Is the minister aware that the first Australian consumer conference on genetic technology is taking place in Canberra at the moment? In light of this, can the minister confirm that the Australia New Zealand Food Authority has found that there are no public health and safety concerns from Round-up ready soya beans and INGARD cotton seed, despite recent reports of increased pesticide residues on possible crops such as Round-up ready soya beans which have actually embarrassed our beef export industry? Can the minister confirm that increased use of herbicides on genetically modified soya beans can result in them containing up to 200 times the legal residue of Round-up herbicide?

Senator HERRON—I thank Senator Stott Despoja for the question. Yes, I am aware of the conference that is being held in Canberra. Genetically engineered foods are quite a recent development that are on the market, as you know. There has been considerable question within government and within the media about food safety and the use of pesticides on cotton and on food products. There have been proposed food safety reforms to cover all stages of the food chain and these food safety reforms developed by ANZFA, with extensive input from states, territories, local government, the food industry itself and community groups, will apply to all food businesses across the food industry from farm through to retail sale. The food safety reforms include infrastructure initiatives to ensure compliance with enforcement of the new standards so that it is undertaken in a nationally consistent manner.

I would assure Senator Stott Despoja that the government is of course cognisant of the safety of all Australians and that we will do everything in our power to ensure that the highest possible standards are maintained so that these proposed standards place a clear obligation on each food business to develop a food safety program to prevent food from becoming unsafe. The extent of the food safety program will depend on the nature of the business so that low risk food businesses will have to do very little to meet these requirements. Overall, our responsibility is to protect consumers against any possible changes in the food production chain, including genetically engineered food, so that there is no risk to the community at large.

Senator STOTT DESPOJA—Madam President, I ask a supplementary question. I thank the minister for his response and his concern. I take it from his answer that he supports the idea of mandatory labelling of genetically modified foods. Is the minister aware of a comment by the managing director of ANZFA recently, who stated that 'mandatory universal labelling of genetically modified foods is virtually impossible to achieve'? What is the response of the government to that statement? Does this appear to government to be an apparent undermining of the council's commitment to mandatory labelling of genetically modified foods, given that Senator Tambling, the parliamentary secretary, serves as chair of that ANZFA council? Does that not seem to be directly contrary to the work of the council and does that not seem to be undermining the push for genetically modified food to be universally and mandatorily labelled?

Senator HERRON—Senator Bolkus will be pleased to know that this is no test. I think I can answer that quite satisfactorily to Senator Stott Despoja's satisfaction. Standard A18 foods produced using gene technology will come into effect on 13 May this year and will require the labelling of genetically modified foods that are substantially different from their traditional food counterparts.

Senator Bolkus—That's not the question.

Senator HERRON—I am sure that even Senator Bolkus might be able to understand

that. There is nothing to prevent any food retailer in response to market demands from requiring that the products it sells are labelled to show the presence of genetically modified components providing this information is accurate and not misleading. It is anticipated that ANZFA will make a recommendation to ministers in April this year. As Senator Stott Despoja would know, in addition, at their 17 December 1998 meeting state and territory health ministers in their capacity as the Australia New Zealand Foods Standards Council asked ANZFA to develop a draft amendment for standard A18 to require labelling for all genetically modified foods. *(Time expired)*

Taxation: Small Business Trusts

Senator CONROY—My question is to Senator Kemp, the Assistant Treasurer. Is the minister aware of comments by Mr Greg Hayes, the small business spokesperson for the Australian Society of Certified Practising Accountants, who said that the government had been brainwashed into believing that trusts could be treated like companies without there being any significant dislocation to the small business sector? Does the government agree with Mr Hayes's statement that there will be significant dislocation to small businesses? Further, does the government support Mr Hayes's suggestion that trusts with a trading level or assets below a certain threshold should remain untaxed at the entity level?

Senator KEMP—I thank Senator Conroy for that question. The whole thrust of our tax reform package is to create a competitive tax system which will help build the Australian economy and help small business, big business and medium-sized business to prosper.

Senator Conroy—Ron doesn't believe you.

Senator KEMP—They do believe us, Senator, because they all supported tax reforms. They do believe us. We happened to win the election and you happened to lose the election. We went to the election on tax reform. The other thing is, and you may correct me if I am wrong, Senator, that the Labor Party supported our position on trusts.

Senator Conroy—Does the National Party? Does Winnie?

Senator KEMP—Let me make this point. This is another extraordinary question. I do not know who gives you these questions, Senator. The Labor Party spokesman, Senator Conroy, stood up and asked a question about a policy which the Labor Party endorsed. The Labor Party endorsed our policy on trusts.

Senator Conroy—What's this got to do with the question?

Senator KEMP—I think it is an extraordinary thing that you seem to have backflipped on the policy which you went to the election on. I think that is odd. You may not think that is odd, but it does seem extraordinary. We think the tax reform package we have brought down will be of major advantage to small business. We think that small business, along with medium- and big-sized business, will certainly benefit from our tax reform package. One of the driving forces was to ensure that we would create the circumstances and the competitive tax system by which small business could profit. It is an extraordinary thing that these are the spokespersons of the trade union movement. If the Labor Party stands for one thing it is to get trade union bosses into parliament. That is the only discernible role that the Labor Party has, and Senator Conroy is one of those former trade union bosses.

Senator Conroy—And proud of it.

Senator KEMP—And he is proud of it. Okay, you are proud of it.

Senator Faulkner—You really are a snob, aren't you? You really are a snob.

Senator KEMP—Oh, dear!

The PRESIDENT—Order! Senator Kemp, I invite you to ignore the interjections and proceed.

Senator KEMP—I must confess, Madam President, that I was stunned by the wit of Senator Faulkner there.

The point I am making is that Senator Conroy, a spokesman for the trade union party in Australia, the Labor Party, pretends to speak for small business. This is the bloke who just in the last few days rejected the

government's proposals on unfair dismissals. That is what you did. This was a proposal which would have helped small business and would have helped the creation of jobs. But, Senator, you stood up and you defeated that, and now you have the cheek to stand up and ask me about our policy on trusts, a policy which you supported at the last election. It was actually a bipartisan policy.

Senator Conroy—What about the National Party?

Senator KEMP—What a great wit. Senator Conroy, if I can give you a word of advice: do not take questions drafted by Senator Cook.

Senator CONROY—Madam President, I ask a supplementary question. Minister, can you outline to small business owners who operate trusts how they will benefit from paying tax up-front? Can you assure them that their concerns are in fact misplaced?

Senator KEMP—Let me assure you, Senator Conroy, the Australian parliament and through the Australian parliament the people that small businesses are one of the many winners out of our tax reform. What we want you to do, Senator Conroy, is to allow this government to keep its promises; make this government keep its promises. We will bring in tax reform and we will deliver.

Senator Conroy—How about you answer the question.

Senator KEMP—Senator Conroy, you are worried about taxes on small business. Your policy is to stop arguably the largest tax cut in Australian history that we wish to deliver to the Australian people. That is what your policy is, Senator Cook.

West Papua

Senator BROWN—My question is to the Minister representing the Minister for Foreign Affairs. It follows a question I asked last year about the massacre of 100 people demonstrating for freedom in West Papua. Minister, what response has Australia made to the meeting of 100 West Papuan leaders in Jakarta on 26 February which called for immediate freedom and independence for West Papua or, failing that, an international effort led by the United Nations to have dialogue between the West Papuans and the Indonesian government? A copy of that statement from 100 leaders of the West Papuans has been sent to the Prime Minister and to the leaders of 22 other nations. What response have the Prime Minister and the government of Australia made to these West Papuan leaders?

Senator HILL—Madam President, I do not have any briefing on that particular matter but I will seek a response.

Senator BROWN—Madam President, I ask a supplementary question. I will look forward to that response and I would add—

Senator Ellison—What is the question?

Senator BROWN—You are not the President; leave that to the President. There is fear about this statement having been signed by the 100 leaders, and I ask the minister representing the minister if he would also find out and deliver to the chamber what reassurances he can from Mr Howard about the safety of the 100 leaders who signed that document.

Senator HILL—I have taken the question on notice.

Goods and Services Tax: Fleet Vehicles

Senator SHERRY—My question is to the Assistant Treasurer representing the Treasurer. Has the minister seen reports from the Australian Fleet Managers Association which show that 54 per cent of fleet operators will change their purchasing policy if the proposed GST and transition arrangements are introduced unchanged? Is the minister aware that 54 per cent of operators actually control 98 per cent of the 600,000 fleet cars currently on the road? Can the minister confirm that, by waiting to benefit from the full rebate in 2002, sales of fleet vehicles will be slashed by 120,000 units annually, stripping $6 billion out of the local car industry? Does the minister agree with the Australian Fleet Managers Association that the transition arrangements as they now stand 'would have a huge impact on the numbers of Fords and Holdens manufactured here, and therefore employment?'

Senator KEMP—Madam President, can I make one general point before I turn to the specifics of the question by Senator Sherry. This government makes no apology for cutting the price of cars. We wish to deliver cheaper cars to the Australian people and one of the effects of our policy, Senator, is to remove the ALP tax. The ALP has a 22 per cent tax on motor vehicles—

Senator Cook—It does not.

Senator KEMP—That is a policy you support, Senator Cook; you want more expensive cars and we want cheaper cars, and that is the difference between our two parties. We make no apology for that. Senator Sherry, in answer to your question, the lease arrangements will not be subject to GST to the extent that goods and services are supplied under the lease before 1 July 2000. The terms of these lease agreements are a matter for commercial negotiation between the lessee and lessor. We think the transitional arrangements that we have brought in are fair, they are reasonable and they will work towards the goal of delivering cheaper cars to the Australian public. As I said, it is a policy we make no apology for. So, in context, as we move towards the great debate in the Senate a lot of claims will be made about tax reform. We have seen a few of those quoted today. But we believe that the policies we have brought in are to the benefit of the car industry, which this government strongly supports. It certainly has the very strong support of Senator Nick Minchin, who is the responsible minister. I think you should view a lot of the comments which are being made in this context as perhaps raising concerns in an overtly dramatic way. We think the transitional arrangements we have brought in are fair and reasonable.

Senator SHERRY—Madam President, I ask a supplementary question. The Australian Fleet Managers Association is very concerned about the transition arrangements which you appear to be standing by, Senator. Why don't you concede that the stripping of $6 billion out of the local car industry will result in huge job losses? Don't you agree that such a massive blow to the sector raises serious medium term concerns about the viability of this industry?

Senator Faulkner—A good supplementary question.

Senator KEMP—Senator Faulkner, I heard that comment; it is an extraordinary question because what we actually want to do is to deliver cheaper cars. What we actually want to do is to cut the tax on cars. What the Labor Party wants to do is to maintain the ALP 22 per cent tax on cars. We actually think cutting taxes on cars is good for the car industry and we strongly stand by that. On the question of jobs, I was rather hoping I would get a question on jobs today, Senator, because some people in the Senate may not be aware that there was another very good figure announced today. The unemployment rate has now fallen to 7.4 per cent and, as Senator Alston said in his remarks, over 32,000 new jobs have been created. So this government has a great record on jobs. This government is running one of the best performing economies in the Western world so, Senator Sherry, let me just assure you, don't you worry about jobs. You were in government for 13 years and you made one hell of a mess of it. *(Time expired)*

Rural and Regional Australia: Employment

Senator KNOWLES—My question is to the Minister for Family and Community Services. Minister, can you advise the Senate what positive job creating initiatives the coalition government is undertaking in rural and regional Australia, particularly with Centrelink, to add to the fantastic outcome figures that have been announced today and to which Senator Kemp referred?

Senator NEWMAN—I would be delighted, Senator, to respond to that question because this government has been meticulous in undertaking job creation initiatives and providing services to rural and regional Australia. We are very happy to stand on our record for that, but there is more. For example, Centrelink is providing more places for customers to do business in rural areas. The service now is provided in over a thousand locations around Australia. There have been 74 new agents appointed under Rural Outreach; there were already 180 working in rural and remote Australia. Of the 292 customer

service centres, many are in rural Australia. Thirteen of the 22 call centres are in rural locations.

Senator Jacinta Collins—How many jobs?

Senator NEWMAN—We doubled the number of people in call centres. Thank you! Bullseye! There are 128 mobile and visiting services in rural locations. A new call centre has been opened in Darwin for indigenous people, which joins with the Cairns call centre so as to provide service to indigenous callers across Northern Australia. Planning is underway for the introduction of two call centres in regional Australia—in Maryborough and Port Augusta—staffed by locals with an understanding of rural and local issues. There are more call centres—22 now compared to 17 in 1995-96. There are more operators—3,000 now compared with 1,500 when we came into government.

Senator Knowles—Double the number.

Senator NEWMAN—Do you hear that? Double the number. The Centrelink call centre in Bunbury in Western Australia that I mentioned the other day won the recent award for outstanding public and private call service in Western Australia. Access is available to people through the Internet to request service response. We are now getting something like 1,000 requests a week, and that is growing. The move to personalised service through the offer of one main contact for each customer will be in place everywhere by next year. People will also have decisions made on the spot. The CSA has permanent outposted staff now in Gosford and Albury service centres. It provides visiting and interview services to rural and remote Australia, often using the Centrelink service centres as their base. We are using technology such as videoconferencing, electronic kiosks and provision of fax and personal computer access to give better access to services for rural Australians. We are creating strategic partnerships with the states to expand services in New South Wales, Western Australia, Tasmania and South Australia.

In Kyogle in New South Wales all levels of government now have access at one site. In Queenstown, St Helens and Georgetown and in Smithton and Huonville in Tasmania there are co-located services with the state government system. Centrelink is on the spot, of course, when it comes to meeting crises such as Katherine with the floods, the Victorian gas crisis, Cyclone Rona from Far North Queensland and the Crookwell fires.

They are just some of the ways that this government is helping people in rural and regional Australia. But, most importantly of all, of course, we are bringing down the unemployment rates and we are bringing up the employment and the participation. The opposition is only interested in opposing jobs for people in rural areas, opposing jobs for young people, opposing the rural transaction centres that will come from the sale of Telstra. It is 'knock a job campaign' from the opposition, and that is what they are all about. Let me just draw to the Senate's attention the employment figures for women, for example, which I think are of great moment. *(Time expired)*

Senator KNOWLES—My supplementary question to the minister—that I was, in fact, just about to ask her—is: what are the employment figures for women and how have they improved in recent times?

Senator NEWMAN—What an intelligent question, Madam President. I am delighted to tell you that women's unemployment continues to fall. It is now 7.1 per cent—the lowest rate for women since 1990. I would expect the feminists in the ranks across the passage to enjoy that and to be pleased. The women's trend employment figures have been rising consistently since June 1997. This is no flash in the pan. Lone mothers are continuing to display a high participation rate, consistently exceeding 50 per cent. The January 1999 figure was 51 per cent. I am also delighted to note that the number of discouraged job seekers has fallen in this past year. The number of women in this group of discouraged job seekers fell by 4,400, or 5.6 per cent, between 1997 and 1998. Isn't that a wonderful achievement? *(Time expired)*

Department of Finance and Administration: Missing Money

Senator FAULKNER—My question is directed to the Minister representing the

Minister for Finance and Administration, Senator Ellison. Minister, given that the government has, quite properly, declined to comment on the operational components of the alleged $8.725 million fraud from DOFA, why did the secretary to the department, Dr Boxall, write to the *Canberra Times* on 19 February extensively canvassing issues arising from the alleged fraud? Does the government believe that it is acceptable for a departmental secretary to publicly canvass: (a) how the alleged fraud was discovered; (b) the account involved; (c) the internal procedures taken by the department prior to informing the police; (d) where the fraud occurred; and (e) the name of the former consultant involved and the details of his consultancy?

Senator ELLISON—Dr Boxall no doubt had very good reasons for writing to the paper. I am not going to canvass this matter any further, as I have said, as it is before the courts. It would be inappropriate for me to comment further.

Senator FAULKNER—Madam President, I ask a supplementary question. If it is inappropriate for the minister to canvass this because these are operational matters, what is the purpose of the ban on canvassing operational matters if it is not to prevent the kind of public debate and disclosures that Dr Boxall's letter in fact involved? I further ask: what action has the minister taken to ensure that Dr Boxall does not in any way place the department in contempt of court through his violation of the sub judice rule?

Senator ELLISON—I am not aware that that letter by Dr Boxall does place him or the department in contempt, and I will look into the matter in relation to the minister and what he has done.

Australian-Indonesian Bilateral Military Forum

Senator BOURNE—My question without notice is addressed to the Minister representing the Minister for Foreign Affairs, Senator Hill. I ask: what is under discussion at the meeting in Jakarta of Australian and Indonesian military officers? More specifically, will human rights, peaceful crowd control methods and the importance of the military acting strictly within the rule of law be discussed? Finally, is Kompassas involved in these discussions?

Senator HILL—The honourable senator will be aware of a media release of the defence public affairs organisation of 5 March 1999 in relation to the Australian-Indonesian bilateral military forum, which in a very general way sets out the purposes of the forum. But it is true that the clear objective of our defence cooperation program is to promote greater professionalism and respect for human rights. There is no doubt that ABRI is facing a complex transition, and it is clearly in Australia's strategic interest to assist in that process in any way we can.

I am advised that the forum will promote broad ranging high level discussion around the theme of the roles and responsibilities of the military in the 21st century. The forum will deal with four specific areas of mutual concern: conditions of future warfare, civil-military relations, managing organisational change in defence reform, and the roles of the military. The bilateral objectives of the forum were agreed as follows: to explore developments which will influence the roles and responsibilities of the military in the 21st century; to begin to define the future shape and orientation of military organisations; and to explore planning models and tools for managing and implementing change in military organisations.

In relation to any role to be played by Indonesia's special forces, I assume there is not a role. If there is, it would only be incidental. As I understand it, there are no specific joint activities planned with the Indonesian special forces at this time. But I will ask if there is any incidental role that they might be playing in this bilateral forum, and if there is I will let the honourable senator know.

Senator BOURNE—Madam President, I ask a supplementary question. I thank the minister for that answer. I acknowledge that he is not actually the Minister for Foreign Affairs and, in doing so, I ask him whether he would ask the Minister for Foreign Affairs about those specific questions that I asked and perhaps get back to the Senate.

Senator HILL—I thought I had answered all but one very small part of it. I have already said that I will seek any further information that is available on that part, and I will do that. But if there were any other parts that I missed, I will follow those up as well.

Civil Aviation Safety Authority: Inspectors

Senator MURPHY—My question is to the Minister representing the Minister for Transport and Regional Services, Senator Ian Macdonald. Is the minister aware that the Civil Aviation Safety Authority is encouraging self-administration in the field of general aviation and sporting aviation? Can the minister explain how the move to reduce the number of CASA investigators from 10 to three and centralise the remaining staff in Canberra can be seen as anything other than a pure cost-cutting measure? Can the minister also advise how three investigators will be able to cope with the workload of investigating breaches of the civil aviation regulations and other offences on a nationwide basis?

Senator IAN MACDONALD—I thank Senator Murphy from the Labor Party—or wherever he happens to be these days—for the question. The last I heard was that you were going to sit down there, Senator. As Senator Murphy mentioned, the Civil Aviation Safety Authority is considering restructuring. CASA has, in fact, put out a draft proposal to its staff on how this restructure might work. That is relevant to the matters Senator Murphy was raising.

The proposed new structure outlines the arrangements to support CASA's three core areas of safety compliance, safety standards and safety promotion. The proposed new structure seeks to put in place a number of recommendations arising from the recent inquiries into the safety regulator. For example, the critical enforcement decisions will be centrally controlled. That is the matter I think Senator Murphy was alluding to. I am pleased to see that CASA is responding to the findings of recent inquiries in a constructive way. In doing that, it is giving its people within CASA an opportunity of understanding and responding to the proposed changes.

Senator MURPHY—Madam President, I ask a supplementary question. Minister, given that answer, would you agree that the reduction in the number of investigators suggests that the general and sporting aviation sector should not only administer itself but also investigate itself if it fails to administer itself properly?

Senator IAN MACDONALD—Senator Murphy, you—and the person who wrote your question—obviously have a keen knowledge of this sort of thing. As you know, and as I said before, we are looking at different ways of improving the whole air safety regime. If you have an idea—and apparently you do have some knowledge of it—perhaps we would be keen to hear your views on it. I know the Labor Party has very few policies on anything, but if you are suggesting that you do have a view on this then I would be pleased to hear it.

Employment: Growth

Senator SANDY MACDONALD—My question is to Senator Kemp, the Assistant Treasurer. Minister, earlier you referred to the unemployment figures, which are the best since 1990. Today's unemployment figures indicate that there were 33,000 new jobs created in the last month alone. In addition, yesterday we learnt that real wages have increased by 0.6 per cent for the December quarter and by over three per cent this year. Will the Assistant Treasurer inform the Senate on how Australians are benefiting from real wage gains and employment growth generated by our government?

Senator KEMP—I thank Senator Macdonald for the question—a very important question in view of the really fantastic labour force figures which were issued today. It shows what can happen when there is a government of reform, a government prepared to take the tough decisions. The government, as you would expect—and indeed the Australian public, with the sole exception of the Labor Party—takes great pleasure in the figures which were announced today. In fact, Senator Macdonald, over 400,000 more

Australians have found work since this government came into office. It is fair to muse on what has been the Labor Party's contribution to employment growth in Australia. They opposed jobs for young people. They have opposed work for the dole. They are opposing real tax reform. In fact, the Labor Party continues to oppose every major reform.

Of course, it is not only the government that is noting with pleasure the performance of our economy. The very well-known US economist, Paul Krugman, described Australia as the 'miracle economy'. John Edwards, who was an adviser—if I am right in thinking—to former Prime Minister Mr Keating—

Senator Cook interjecting—

Senator KEMP—Senator Cook has acknowledged that I am right on that issue. John Edwards has referred to the economy as 'economic magic.' Apart from getting Australians work, we are very pleased with the benefits which have flowed to Australian workers. Under this government, Australian workers have enjoyed significant increases in real wages; that is, they have more money in their pockets, even after allowing for inflation—which, of course, under this government is at a very low level. In fact, under the coalition real wages have grown by around 6.5 per cent, or on average 2.5 per cent per annum. This compares with the 13 Labor years—and it is very interesting to contrast this growth—with an average annual growth of 0.6 per cent.

In an article by Senator George Campbell, which many people would benefit from reading—I do not think they will agree with the prescriptions, but they will understand better the Labor Party's thinking—he bemoaned the collapse of real wages under the Labor Party. That is why we say that the Labor Party is not the party of the battlers; it is the party of trade union leaders. That is where their interests lie. It is a matter of great pride to this government that we have been able to deliver to Australian workers real rises in wages and salaries. But, of course, there are other features which have benefited the Australian worker. The very sharp fall in interest rates has delivered very big benefits to many Australian workers, particularly young people trying to buy their own home.

Labor had 13 years in which to show its mettle. It failed on virtually every count. To repeat myself, as Senator George Campbell has pointed out, over quite a number of years real wages fell under the Labor Party, under your government and under Mr Keating. That is a pretty miserable record for any party but particularly miserable for the Labor Party.

Senator Hill—Madam President, I ask that further questions be placed on the *Notice Paper*.

ANSWERS TO QUESTIONS WITHOUT NOTICE

Naval Ammunition Facility: Twofold Bay, New South Wales

Child Support Agency: Staff Identification

Senator NEWMAN (Tasmania—Minister for Family and Community Services and Minister Assisting the Prime Minister for the Status of Women) (3.02 p.m.)—I have a further answer to a question I took on notice this week from Senator Bob Brown. I also have some additional information to a question I took from Senator Jacinta Collins a while ago. I apologise for it being late. I seek leave to have the answers incorporated in *Hansard*.

Leave granted.

The documents read as follows—

QUESTION WITHOUT NOTICE—9 March 1999

Naval Ammunition Facility: Twofold Bay, New South Wales

Senator BROWN: My question goes to the minister representing the Minister for Defence. Firstly as a preamble, the naval armaments complex has moved out of Sydney following a decision in 1994 that that would happen by the Olympic year for reasons of safety. Port Wilson in Victoria was chosen with Port Alma near Rockhampton chosen as an option. Twofold Bay at Eden was dismissed for reasons of public safety and cost. Has the government now decided to go ahead with part of that complex at Twofold Bay? If so, is there to be a waiver on public safety due to this facility being so close to town and people in that region? Can the Minister say what public consultations have been undertaken and how much the public, including

local residents, have been taken into account in making this decision?

Supplementary Question: If this project is to go ahead, is the 700 metre jetty to be built at East Twofold Bay to be in part funded by $8 million of Commonwealth and State money otherwise earmarked for restructuring the forest industry, on the basis that there will be whole-log; exports off this wharf when it is not being used for Navy purposes without downstream processing of those logs, as was the aim of the Regional Forest Agreement?

Senator NEWMAN: On 9 March 1999, I answered part of Senator Brown's question and undertook to provide additional information, where it was available, from the Minister for Defence.

It have subsequently been advised by the Minister for Defence that feasibility studies on a proposed Navy Ammunitioning Facility at Twofold Bay were conducted by Defence in the latter half of 1998. These studies indicated that the facility could be constructed to comply with the NATO storage and safeguarding requirements without the need of a Public Risk Waiver.

Defence has consulted widely with all stakeholders in the Twofold Bay area including State and Local government bodies, commercial/business interests and the Eden Aboriginal Land Council. Since the Parliamentary Standing Committee on Public Works' public hearing in April 1998, Defence conducted public and private briefings in August 1998 and February 1999. Notification of these briefings was provided in the local newspaper and they were well attended by the local community.

Defence intends to continue to brief all stakeholders on the proposal as it is developed for referral to Parliament during late 1999.

The proposal will also be subject to environmental assessment and stakeholders, community and interested parties will have the opportunity to comment in the normal way.

Defence will completely fund the development of the Navy Ammunitioning, facility.

QUESTION WITHOUT NOTICE OF 10 DECEMBER 1998 FROM SENATOR JACINTA COLLINS ON CHILD SUPPORT AGENCY STAFF IDENTIFICATION POLICY

On 10 December 1998, Senator Collins asked the following question without notice:

"Is the minister aware that, notwithstanding the assurances she gave the Senate yesterday, Child Support Agency senior management personnel have only recently told staff not to be 'paranoid' about their personal safety concerns about having to disclose their names to disgruntled clients? Is the minister aware that Child Support Agency staff are still being told by senior management that they are in fact still obliged to provide their full name to clients and will be sacked if they do not? How does the minister explain this inconsistency between the supposed guidelines she referred to yesterday and what is actually going on in the agency?"

The answer is:

I am informed that it is not true that senior management personnel of the Child Support agency were telling staff "not to be 'paranoid' about their personal safety concerns about having to disclose their full names to disgruntled clients". I am further informed that senior CSA management were not telling staff that they "are in fact still obliged to give their full name to clients and will be sacked if they do not".

As I previously indicated in my answer to Senator Collins' question without notice of 3 December 1998 (which I tabled on 9 December 1998), while the CSA encourages its staff to give their full names to clients, it acknowledges that this is an issue for some staff. Staff are not required to provide their personal details. The only requirement is for them to provide, as a minimum, their first name, site location and the 131 272 number as a contact number.

In my answer, I also pointed out that the CSA's Staff Identification Policy and Guidelines provide for the use of alternative forms of identification on occasions when a staff member has a genuinely held concern that their full name could compromise their safety. I am assured that these guidelines are readily available to all CSA staff.

JOCELYN NEWMAN

Jabiluka Uranium Mine

Senator HILL (South Australia—Minister for the Environment and Heritage) (3.02 p.m.)—Further to an answer I gave Senator Bolkus today, I can advise that Mr Barry Jones is vice-president of ICOMOS Australia.

AIRSERVICES AUSTRALIA: HAWKE REPORT

Return to Order

Senator IAN MACDONALD (Queensland—Minister for Regional Services, Territories and Local Government) (3.03 p.m.)—by leave—I refer to the order of the Senate of 9 March 1999 agreeing:

That there be laid on the table by the Minister representing the Minister for Transport and Regional Services (Senator Ian Macdonald), no later than 5 pm on Thursday, 11 March 1999, the following document:

The Hawke report on the structural review of Airservices Australia which was given to the Minister for Transport (Mr Anderson).

Madam President, Dr Hawke is the Secretary to the Department of Transport and Regional Services. I am advised by the Department of Transport and Regional Services that there is no document that is correctly described as the 'Hawke report on the structural review of Airservices Australia.'

Consultation with Senator Woodley's office has established that the document that is the intended subject matter of the order is a report completed by the then Department of Transport of Regional Development in March 1998. The former Minister for Transport and Regional Development, Mr Sharp, instructed the then Department of Transport and Regional Development to prepare the document for the purposes of cabinet deliberation.

It is a document that has underpinned confidential cabinet deliberations and relates to a subject that is still under government consideration. As a result, it would not serve the public interest for me to table the report in the Senate.

Senator WOODLEY (Queensland) (3.04 p.m.)—by leave—I hear with interest the minister's statement to the Senate. I certainly will examine that carefully from the *Hansard*. While I do not want to contradict anything the minister said, I need to express my extreme disappointment, and to say that my preliminary response would be that I find it hard to accept the reasons given. But I will look at the statement very carefully and, of course, come back at a later time to the Senate.

Senator MACKAY (Tasmania) (3.05 p.m.)—by leave—I share Senator Woodley's disappointment in relation to this. This resolution was carried by the Senate over the last few days—a motion that was moved by the Democrats. As for getting the actual nomenclature correct in terms of the report, I am sure Senator Woodley will stand corrected in relation to that.

I indicate from the opposition's perspective that we do not accept the reason given by the government that it was prepared in terms of a cabinet deliberation that is still under consideration. We also will not accept the same explanation when we are sure that it will be provided in relation to the report that we will be seeking in the next sitting week, which is the Hawke report into the reviews, roles and responsibilities of CASA, BASI and Airservices Australia.

To reiterate some comments I made this morning, half of the problem with what is going on with regard to air safety at the moment is the shroud of secrecy that is surrounding it. I do not think the government's inactivity in relation to the tabling of these requested reports is helping one iota. I would ask the government to reconsider Senator Woodley's request and also seriously consider our request in relation to BASI, CASA and Airservices Australia.

ANSWERS TO QUESTIONS WITHOUT NOTICE

Jabiluka Uranium Mine

Senator BOLKUS (South Australia) (3.07 p.m.)—I move:

That the Senate take note of the answer given by the Minister for the Environment and Heritage (Senator Hill) to a question without notice asked by Senator Bolkus today, relating to uranium mining.

Today we had it confirmed that the government is becoming more and more desperate in respect of its case and its positioning on the proposed mine at Kakadu. On 29 January this year the minister wrote to the World Heritage Committee on this issue. Let us make no mistake about what the minister and the government asked the World Heritage Committee to do. They have asked for an unravelling of the convention. In essence they want to replace the independent existing mechanisms for review with their own judges. They have sought to nobble the jury of judges who will make a decision in respect of Kakadu. In doing so they reflect their desperation on the issue and in doing so they seek to undermine the convention and its mechanisms in total.

The minister wrote on 29 January to ICOMOS in Paris. In his letter he contested the view that there should be any concern with respect to mining at Kakadu, contrary of course to expert advice domestically and

internationally. He went on to ask the IUCN, the International Union for the Conservation of Nature and Natural Resources, and the International Council on Monuments and Sites to rule themselves out from their traditional, accepted, legal role as independent arbiters in the system, a role that has been accepted by the world community for decades, a role that has been accepted by Australia for decades.

This minister, on behalf of this government, seeks to replace those internationally respected institutions and to choose his own judges, to choose his own expert panel. The request essentially was that this government was prepared to nominate alternative mechanisms to the ones listed in the convention that are listed and accepted by the world community. What did the minister write? He wrote to this internationally respected body and said, 'We have a list of suitable experts. We have our own list of suitable experts to replace yours, to replace the world's, to replace those institutions that have conducted this role, performed this function and been accepted to perform this function for as long as the convention has been in place.' What did the minister ask the committee to allow these hand-picked experts of the Australian government's nomination to do? He asked them to undertake a review of Australia's submission. Fancy trying to get away with something as rich as this, Senator Hill.

The DEPUTY PRESIDENT—Address the chair please, Senator Bolkus.

Senator BOLKUS—You want to replace the institutions enshrined in the convention. You do not want them to make an assessment on your position because you do not like what they are saying. What do you want to do with them? You want to replace them with your own hand-picked nominees. Not only is this rich, it reflects the depths of despair of this government and it reflects the degree of sleazy international deals that this government wants to indulge in. We saw great evidence of that just a few weeks ago when the parliament was confronted with a document from within Senator Hill's own department. That document basically detailed the international lobbying exercise that the government was prepared to embark upon. We see it again today—no respect for the institutions, no respect for the mechanisms, but at the same time subverting the internationally accepted convention and its processes.

What we have on view for the rest of the world to see is a minister who does not accept the umpire's ruling, a minister who is prepared to indulge in personal attacks on those individuals who are part of the international structure, a government prepared to denigrate the independent status of ICOMOS and IUCN and a government that wants to pick its own umpires. You cannot get away with nobbling the court of world opinion.

This is made more disgraceful by the fact that we are talking here about a government not being prepared to protect a world heritage area. Senator Hill says there has been mining going on there for 18 years, but he knows full well that the nature of the location and the dimensions of what is being proposed here are different from what has been going on there for quite some time.

Senator Hill—This new one is a little mine.

Senator BOLKUS—You know the impact on the cultural sites and the impact on the environment. You know what you are talking about here is an abdication of responsibility on your part as well because you have watered down those 77 conditions that your department urged you to accept, and that is also known by the world community. I regret that we have had to do this today, but once again we see a government that is not prepared to meet its international and national responsibilities. Unfortunately, I think this minister has been caught in a hot spot in respect of it. *(Time expired)*

Senator HILL (South Australia—Minister for the Environment and Heritage) (3.12 p.m.)—That was a pitiful contribution from Senator Bolkus. At least he could have put a bit of heart into it. I know it is Thursday and honourable senators are looking forward to going home, but at least some enthusiasm for the task demonstrated in taking note of answers given during question time would have been of help. However, I do understand the embarrassment of the ALP in relation to this matter.

Senator Bolkus—Embarrassment?

Senator HILL—Embarrassment of the ALP. For 13 years the Labor Party was in government in this country and for 13 years the huge Ranger uranium mine operated in the vicinity of the Kakadu National Park.

Senator Bolkus—If you don't know the difference, you ought to resign.

Senator HILL—I do know the difference, Senator Bolkus. An open-cut mine with all the processing involved operated for 13 years. How often did the Labor Party say that that mine threatened the world heritage values of Kakadu? How often? Not once. They said that mine could be operated in a way that is compatible with the world heritage values. But out of government a new mine is proposed, a much smaller mine—22 hectares is all that the footprint is, Senator Bolkus—without processing, because it is proposed that processing be done at Ranger. It is an underground mine with technology that is 20 years more advanced than Ranger and suddenly up pops Senator Bolkus saying, 'This is a threat to the whole of the Kakadu National Park'—that huge national park, one of the largest in the world. Senator Bolkus says that this 22-hectare footprint is a threat to Kakadu and that the whole of the world heritage area should be put on the endangered list. What a joke!

The Jabiluka mine is not even in the world heritage area. Senator Bolkus, in an appalling bit of diplomacy, instead of playing the political game within Australia, decided he would write to the international body to condemn the Australian government. He did not have the nerve to come into this place to attack this government. He did not even put out a press release when he issued this letter. In the dead of night he wrote to the World Heritage Committee.

Senator Bolkus—On a point of order, Deputy President: as the minister knows full well, we actually circulated the letter very widely and that is how he got a copy of it. If he wants to keep on misleading and misrepresenting the opposition's position, he can do that and I will seek leave to correct the record. But the minister ought to get back to the issue and he ought to become relevant.

The DEPUTY PRESIDENT—Order! Senator Bolkus, there is no point of order.

Senator HILL—He did not put out the letter widely; we got it from Kyoto. He put it out in the dead of night. He believed that he could undermine the position of the Australian government by going to this overseas body rather than by coming in here and taking us on publicly. Why wouldn't he take us on publicly? Because it is so embarrassing to the ALP after supporting the Ranger mine for 13 years in office.

It is true that we are concerned about the integrity of the world heritage system. We do believe that this mission that was sent to Australia has undermined the integrity of that system. Did that mission look at the three years of detailed assessment that had taken place under Australian law in relation to the Jabiluka mine? Did it look at the 77 conditions that were attached to it? Of course it did not. It prejudged the issue largely on the basis of wanting to expand the international law in relation to what the chairman referred to as living culture.

In fact, a majority of the committee were not even of the view of the purport of the final recommendations. So, between the draft recommendations and the final recommendations, the chairman, who was an international lawyer, got his way and had the opportunity to present the argument in Kyoto that this whole park should be put on the endangered list. The only redeeming feature was that at least the World Heritage Committee in Kyoto said that the Australian view should be heard and deferred the matter for six months for further consideration. In the meantime, Australia is preparing the extra assessments that will be necessary for presentation in June.

All we ask for is an objective and fair hearing because on any objective and fair hearing what will be taken into account will be the views of the Supervising Scientist, the Australian government authority, which has supervised the Ranger mine for the last 18 years and has demonstrated that you can conduct uranium mining in the vicinity of that world heritage area without any environmental damage at all. It will give us the opportunity to properly put before the committee the

three years of assessment that took place in relation to the Jabiluka prospect. Provided that we get a fair and objective hearing when this is reconsidered in Paris in June, there is no doubt that this park will not be put on the endangered list. *(Time expired)*

Senator ALLISON (Victoria) (3.17 p.m.)—It is typical that all the Minister for the Environment and Heritage can do is attack the opposition over Ranger but, whether the minister likes it or not, the mining of uranium at Jabiluka has now become a matter of great international importance. Here in Australia the issue is not just about the environmental consequences of putting a mine in the heart of Kakadu National Park and a world heritage area but also about our relations with indigenous traditional owners of this country generally and the Mirrar people in particular, who do not want to see this mine on their land. It is also about the integrity of the World Heritage Bureau and of ICOMOS.

It is also about a huge amount of taxpayers' money being squandered on defending the indefensible on the world stage, and over the past week this issue has also become one of accountability and the ability of the Senate to scrutinise the actions of the executive. A great deal is at risk here, all for the sake of a uranium mine which even the miners are getting less and less interested in pursuing.

Uranium is in plentiful supply, and there must be easier ways of making a living than picking a fight with the majority of Australians, who do not want Jabiluka to go ahead. This is all for the sake of a nuclear industry which is also on the decline, which cannot deal with its dangerous waste and which is already pointing the finger at Australia as a potential dumping ground for that waste.

On Monday this week, the parliament asked that all government documents from October last year relating to Jabiluka be tabled in the Senate. Senator Hill tabled 44 documents and a tabling statement in which he said he was:

> . . . not tabling certain documents dealing with Australia's relations with other members of the World Heritage Committee and certain internal advice provided to me by my portfolio. The release of such documents could reasonably be expected to cause damage to the international relations of the Commonwealth, or they are internal working documents the release of which would be contrary to the public interest, or they are subject to legal professional privilege.

Of course, the minister and perhaps senior bureaucrats in this department who have determined that this is the case are effectively shutting the Senate out of any reasonable access to the documents. They are documents which, I might say, are crucial to understanding whether or not the government is using inappropriate and nasty tactics and wasting $1 million of taxpayers' money in supporting this mine, interfering with ICOMOS and, in stopping the World Heritage Bureau, putting Kakadu on the endangered list.

So that we might be in a better position to judge Senator Hill's assertions, I asked the minister on Tuesday to provide a full list of documents which were withheld, together with a short description and his grounds for refusing to hand them over. He provided that list yesterday, a very short list of 13 documents. Of course, these were not all the documents, only the ones the department had put forward. It would be impossible to determine whether the withholding of documents is justified from these descriptions, even if we accept that the stated reasons are proper grounds for the secrecy.

Very significantly, the minister dropped as one of his original reasons for refusal the ground of legal professional privilege. Perhaps he had to drop this excuse because, in the meantime, he had professional legal advice on the matter. Advice from the Clerk of the Senate to the Democrats would suggest that this was indeed a wise move on the part of the minister. That advice stated:

> The mere fact that documents are the subject of legal professional privilege is not a ground in itself for their non-production; usually the claim rests on apprehended prejudice to parties in potential litigation. The cost of searching for supporting documentation may be outweighed by the public interest in the matter concerned.

It is clear that the minister provided his grounds for not complying with the Senate's order and then he changed the grounds, without explanation, to other grounds. This would suggest to us that the grounds are, and always were, a construct—if the grounds do not turn out to be legitimate, change them to

some which might be. There is no way that shifting grounds should be accepted by the parliament, in my view, a parliament which prides itself on its ability to scrutinise the workings of the executive.

But, leaving aside questions of what are and what are not proper grounds for refusal to disclose, the question that remains is: how do we know the minister is telling the truth? Yesterday I offered the minister a compromise: appoint an independent person acceptable to both sides of parliament to examine the documents and verify or otherwise the legitimacy of those claims. It is only then that we will know what level of interference there is in ICOMOS and whether this government is really sending bureaucrats around the world with the truth and the facts—as the minister so often likes to say—or whether this is an exercise in inappropriate and subversive pressure on member countries. *(Time expired)*

Senator CHAPMAN (South Australia) (3.22 p.m.)—It is interesting to see that Senator Bolkus has to rely on the Democrats, and whoever might come after them, to support his taking note of answers debate today in the Senate, rather than his Labor colleagues. There is obviously a good reason for that and the reason is that when you look at the facts—

Senator Carr—Madam Deputy President, on a point of order: I draw your attention to the standing orders that require senators to be truthful in their responses. In the Procedure Committee last night, there was a discussion about ensuring that the Democrats and the Greens were provided with an opportunity during the period of taking note to give their views, and that is what is happening today. The proposition that Senator Chapman has put is totally factually incorrect.

The DEPUTY PRESIDENT—There is no point of order.

Senator CHAPMAN—Madam Deputy President, if you believe that, you will believe anything. This debate is about the World Heritage Committee report on Kakadu and the proposed new mining venture which will operate there. The World Heritage Committee came here and visited for a few days and then went away and made a negative report about the proposed Jabiluka mine. I prefer to put my faith in the report of the Select Committee on Uranium Mining and Milling, which did not spend just a few days examining Kakadu and the Ranger mine and the issues surrounding uranium mining in the Northern Territory but in fact spent a year investigating uranium mining in Australia. A major part of that inquiry was the Ranger mine, the Jabiluka mine, and its impact on the Northern Territory and environmental matters.

I want to quote from the committee report, but I should add, in light of Senator Bolkus's speech to take note of answers, that the report was supported not just by government senators but by the two Labor Party senators who were members of that committee. The committee produced an excellent report, notwithstanding attempts by the Democrats and the Greens to frustrate the outcome of that report. The report stated:

> The Committee has concluded that the principal finding of the Ranger Uranium Environmental Inquiry [the Fox Report] has been vindicated by two decades' experience. Fox stated that:
>
> > The hazards of mining and milling uranium, if those activities are properly regulated and controlled, are not such as to justify a decision not to develop Australian uranium mines.

Further, the committee found:

> This major finding of the Fox Report remains valid as the foundation for policy on the mining and milling of uranium in Australia.

We found that, on the basis of the evidence received by the committee, the uranium mining and milling industry will be sufficiently viable financially to be able to meet its environmental health, safety and security responsibilities fully.

As I said, that report was written after a year's inquiry—not just after a few days, as we have experienced with the world heritage report. They came here, had a quick look and then went off and wrote a negative report on uranium mining in Australia. Our committee report was based not only on the submissions we received and the public hearings we conducted but on the detailed research which the committee undertook and which added to the store of knowledge on uranium mining in Australia. On the basis of that, there can be no validity in the opposition to uranium

mining in Kakadu which has been put forward by the world heritage report.

It is worth noting the environmental impact of uranium mining at the Ranger operation. Evidence provided to the committee by the then Supervising Scientist, Barry Carbon, was that:

> There has been no deleterious effect on the local river system from activities at Ranger.

He also said:

> The Ranger tailings storage system has operated satisfactorily in containing the tailings, and it has caused no environmental degradation.
>
> . . . . . .
>
> Seepage from the tailings dam was overestimated by the Fox inquiry, as were the transport of heavy metals in groundwater and the environmentally vitiating effects of seepage. No environmental effects are observable. A management regime was able to be developed to allow performance well within the expectations outlined by the inquiry.

In other words, the Fox inquiry expected there might be some minor environmental damage caused by Ranger, but even that was not realised. There has been no environmental damage arising from the activities of that mine whatsoever.

Yet we now have a further mine proposed, the Jabiluka mine, which is an underground mine—compared with the surface mine of Ranger—and which will have even less capacity to cause damage than the Ranger mine. So there is absolutely no case for banning mining in this particular project. There is absolutely no danger posed to the environment. The work of the World Heritage Committee is extremely questionable on that basis and on the basis of the work that has just been done by that committee.

Australia has the most regulated and controlled uranium mining of any country in the world. It is the safest and surest in terms of environmental impact and in terms of meeting our national obligations. No case can be made against it. *(Time expired)*

Senator MARGETTS (Western Australia) (3.28 p.m.)—It is interesting to follow Senator Chapman because I was on that same committee, and the Greens and the Democrats did indeed find a lot to be concerned about in relation to the outcomes. We did write dissenting reports, and the dissenting reports make a much better read than the majority report. They were actually put together much better.

I would like to read from the proceedings of the World Heritage Committee at Kyoto last year, just to put in context what the minister has been saying and what the opposition have been saying about the government's endless attempts to frustrate the reports of this bureau. The proceedings read:

> The Chairperson outlined a brief chronology concerning the preparation of the report. He noted that the mission was originally scheduled for 4 to 10 October 1998, had been indefinitely postponed by the Minister for the Environment, Australia—

that is Senator Hill—

> in September and then rescheduled for 26 October to 1 November 1998. He noted that the first draft of the report was prepared on 1 November 1998, the second on 16 November and the final comments were received on 23 November and were immediately incorporated and the final report sent to the Australian authorities on 24 November. He informed the Bureau that the Terms of Reference had foreseen the preparation of a report over a period of a full month but that this had not been possible because of the postponement of the mission.

What we are hearing here is that the government of Australia, who knew well what the deadlines were for the reporting of this report, made a complaint to this chamber that they had not been given enough time to look at the report before it was released. The reading of the proceedings in Kyoto will tell you that the issue was not an unwillingness by the bureau to share their information but that they were put into an almost impossible position by this government and this minister. The document goes on:

> The Chairperson informed the Bureau that he had received a request from the Minister for the Environment and Heritage in Australia dated 24 November 1998 that 'the item be withdrawn from the agenda of the Bureau and Committee'.

So here we have it: the idea of postponing, indefinite delay, stop them from coming, blah blah, was basically to stop them from giving a report. How dare this minister come into this chamber and talk about his complaints about the bureau when he did everything he

could to make it almost impossible for them to report. I will continue the quote:

His request refers to the lateness of receipt of the report which he regarded as making it now 'physically impossible for the Australian Government to read and reach a considered view on the report' prior to the Bureau and Committee sessions.

The Chairperson referred to his reply to the Minister's letter in which he stated 'it is imperative that the mission fulfils its mandate by presenting the Bureau with the report which was requested last June'.

The chairperson noted that the mission had met the minister and the Secretary to Environment Australia in Canberra briefings and the document goes on:

. . . he had also reminded Senator Hill that he himself had asked for the delay in the mission being fielded and noted 'this certainly made the preparation of the report much more difficult timewise . . . '

All of this was put to the bureau. The members of the bureau considered the evidence they had seen. They considered the urgency of the issue in relation to the threat to the world heritage values of Kakadu. Given that a representative from Australia was given the right to speak at this time, to put the case of the Australian government to stall the whole process and take it off the agenda, all in all, the members carefully considered the situation and decided that they needed to hear the report.

The actions of the Australian government have been shameful on this issue. I hope that the world community will continue to put appropriate pressure on the Australian government to remove its proverbial digit and to make sure that it sees that the issues of world heritage—at the very least—have to be taken seriously and it can no longer fiddle, fool and sham on this matter. *(Time expired)*

Question resolved in the affirmative.

MINISTERIAL STATEMENTS

Defence Reform Program

Senator ABETZ (Tasmania—Parliamentary Secretary to the Minister for Defence) (3.33 p.m.)—I table a statement by the Minister for Defence on progress on the implementation of the Defence Reform Program and I seek leave to incorporate the statement in *Hansard*.

Leave granted.

The statement read as follows—

Today I wish to inform the House of progress to date on implementation of the Defence Reform Program.

One of the central priorities of the Government since its election to office in 1996 has been to maintain the real value of the Defence Budget.

That commitment continues.

But the Government has always realised that even more needs to be done.

We believe we have an obligation to ensure that the resources allocated to Defence are well managed and properly focused on the delivery of defence capability.

It was for this reason that the Government announced the Defence Efficiency Review in October 1996. The Review confirmed the pressing need for major structural reform to refocus the Defence organisation on to its core obligation of providing combat capability.

The Government's view was that there was a real requirement to improve the readiness of the Australian Defence Force and its capacity to respond to more current needs.

The Defence Reform Program, which was announced in April 1997, was designed to remedy the shortcomings identified by the Defence Efficiency Review.

The Defence Reform Program is an extensive and ambitious program of major cultural and management change across all parts of Defence.

Its end objective is to improve the readiness of the ADF and to provide an increased range of options to respond to current and emerging developments.

There is no doubt the need for these reforms is very real. The scale is very challenging.

As the new Minister for Defence, I have been very pleased to see the strong and widespread commitment within Defence to meet this challenge.

It is important to recall the key objectives of the Defence Reform Program. The objectives are:

. Firstly, to maximise the focus of the Defence organisation and its resources on the achievement of the Defence Mission, that is *"to prevent or defeat the use of armed force against Australia and its interests"*.

. Secondly, to have a Defence organisation organised for war and adapted for peace with a clear command and management structure and better long term planning and decision making.

. Thirdly, to increase the efficiency of support and administrative functions.

. Finally and most importantly, to maximise the resources available to sustain and enhance the Defence Force's operational capabilities.

At maturity, the Program will make available up to $1 billion per annum as well as some $500 million in one-off gains from asset sales and inventory reductions.

Most importantly, all these funds are earmarked for re-investment in combat capability and operational readiness.

As a result of the Program, a greater proportion of the Defence Force will be employed directly in combat and combat support roles.

As we adjust the size and structure of our permanent forces, we expect the proportion of our full time personnel in combat and combat related roles to rise to 65% by early next century.

This will mean that the ADF will have 32,500 personnel in combat and combat support units out of a total full time force of 50,000—an historically high proportion.

A key objective of the Program has been to make substantial additional funds available for investment in important aspects of the Defence Force's operational capability and levels of preparedness. I am able to report to the House today significant progress in achieving this objective.

By the end of this financial year, more than $280 million per annum in continuing efficiency gains will have been achieved. This is $30 million more than originally planned. In addition, one-off gains of $52 million have already been realised from asset sales.

As a result of this success, an additional $271 million has been allocated this year for investment in capability and operational readiness improvements. The balance of the available funds has been used to meet one-off transition costs relating to personnel entitlements and the Commercial Support Program.

This year the Army has been allocated $43 million to fund an additional 1,000 regular personnel in infantry, special forces and combat support roles.

Amphibious transport capability is being strengthened. This year, $39 million has been allocated to retain HMAS Tobruk in service and to provide funds for modifications to the large landing ships HMAS Kanimbla and Manoora.

Other Naval capabilities are also being enhanced. $66 million is being spent on additional costs associated with the introduction into service and operation of the new ANZAC frigates and their helicopters as well as for the new coastal minehunters.

Long standing shortfalls in logistic support for existing capabilities are being remedied. $104 million has been made available for ammunition for training purposes, combat clothing, new combat rations and increased funding for spares and maintenance for frigates, patrol boats and Air Force and Navy aircraft.

I am pleased to announce that as part of the initial benefits of the Defence Reform Program, we are now in a position where the resources already available to Defence can support an increase in the level of preparedness of a range of land force units and supporting air and naval elements.

In line with the Government's overall priorities for Defence, we have decided that additional force elements up to the equivalent of a second brigade sized group, with supporting air and naval units are to be brought to the same degree of readiness as the Ready Deployment Force in Townsville.

Defence planning has commenced with the aim of achieving this objective by 30 June this year.

This will mean that by June 1999 we will have forces of up to two brigade or task force size groups, with associated naval and air elements which can be ready to be deployed in 28 days.

This is the first occasion in over two decades that Australia has had the equivalent of two brigades at this level of readiness.

The Government believes it is important to have the maximum flexibility and the options necessary to respond to contingencies at short notice. Such measures are both prudent and appropriate.

Australia has recently faced a number of contingencies, including responding to Iraq's refusal to comply with UN requirements to destroy its chemical and biological weapons capability, peacemonitoring in Bougainville, disaster relief in Papua New Guinea and drought relief in Irian Jaya.

Further contingencies could arise in our region, including in East Timor.

In relation to East Timor, the Government's position remains that the Indonesian Government and the East Timorese have the primary responsibility to agree on an orderly and peaceful transition whether it be to autonomy or independence. Such an outcome would reduce potential peacekeeping needs.

Let me make it clear that the Government believes that it is premature to make any decision about ADF involvement in any peacekeeping role in East Timor at this stage.

The Government's responsibility, and our intention, is to be in a position to be able to respond effectively to a considerable range of possibilities.

In the light of the range of contingencies facing us, it is only prudent to ensure that appropriate planning and readiness steps are put into place. The

Defence Reform Program has strengthened our capacity to take such steps.

The improvements in capability and readiness I have outlined are clear evidence of the effectiveness of the Defence Reform Program. The benefits of these reforms will increase further as the program matures.

Our commitment is to build a sharper, more combat focussed, better equipped and more mobile and operationally ready Defence Force- the precise priority we believe Australians expect.

Central to all of this is the contribution of our service men and women. No one who has seen our people in action, on operations or disaster relief, can fail to be proud of the professionalism and dedication of our young men and women.

On my own visits to defence units around Australia and to our deployed forces on Bougainville and Malaysia, I have been impressed by the quality and commitment of the men and women of the Australian Defence Force.

I am conscious too of the special and important contribution made by the families of our soldiers, sailors and airmen. Their ongoing support is vital.

In conclusion, as Minister for Defence, I reaffirm this Government's commitment to Defence reform and to the provision of a modern and responsive Defence Force capable of protecting Australia's interests.

COMMITTEES

Publications Committee

Report: Government Response

Senator ABETZ (Tasmania—Parliamentary Secretary to the Minister for Defence) (3.33 p.m.)—I present the government's response to the report of the Joint Committee on Publications on its inquiry into the future of the Parliamentary Papers Series and seek leave to incorporate the document in *Hansard*.

Leave granted.

The document read as follows—

Government Response to Recommendations of the Joint Committee on Publications contained in its Report:

FUTURE OF THE PARLIAMENTARY PAPERS SERIES

The Joint Committee reported on the future of the parliamentary papers series in December 1997. On 10 November 1998, the Presiding Officers responded to recommendations 1, 4, 5, 6, 7 and 8 and noted recommendations 2, 3 and 9.

The Government's response to recommendations 2, 3, and 9 is as follows.

RECOMMENDATION 2

Ministers should ensure that agencies for which they have responsibility fulfil the obligation to produce sufficient copies of documents for the parliamentary papers series. A report identifying those agencies which default should be tabled in each House every twelve months.

Response

The Government notes that in tabling the report, the Chairman of the Committee indicated that the Committee had written to ministers to remind them of agencies' obligations and proposed to present a report to the Parliament every 12 months identifying any agencies that are in default.

The Government accepts this recommendation. The Department of the Prime Minister and Cabinet wrote to all secretaries of departments and heads of agencies in March 1998 about their responsibility to provide copies of tabled reports for inclusion in the parliamentary papers series.

In March 1998, AusInfo, a new unit within the Department of Finance and Administration which superseded the Australian Government Publishing Service, initiated meetings with representatives of the parliamentary departments and the new owner of the operations of the former Government Printing Office, to ensure that effective management of the parliamentary papers series continued.

RECOMMENDATION 3

Government agencies producing parliamentary papers should publish the documents electronically as well as in print. The Committee intends regularly to monitor developments in this area and will report on progress in twelve months' time.

Where agencies do not produce these documents electronically, the reason for not so doing should be advised to the Minister in the letter of transmittal accompanying the document.

Response

Increasing numbers of documents are being published electronically. AusInfo is developing guidelines for Commonwealth information published in electronic formats, which are intended to be released in early 1999. AusInfo has issued a newsletter on guidelines and best practice for Commonwealth information published in electronic formats.

The issue of explaining non-publication by electronic means in the letter of transmittal will be examined in the revision of the *Guidelines for the Preparation of Annual Reports* co-ordinated by the Department of the Prime Minister and Cabinet.

RECOMMENDATION 9

Ministers should ensure that agencies for which they have responsibility fulfil their statutory obligation under the provisions of the Copyright

Act 1968 to deposit a copy of their publications with the National Library of Australia.

Response

The National Library of Australia is a recipient of deposit copies of government publications under the Commonwealth Library Deposit and Free Issue Schemes. AusInfo wrote to all secretaries of departments and heads of agencies in March 1998 reminding them of the need to provide deposit copies for the schemes.

AusInfo followed-up with distribution of a guideline on the schemes in July 1998.

Treaties Committee

Report: Government Response

Senator ABETZ (Tasmania—Parliamentary Secretary to the Minister for Defence) (3.34 p.m.)—I present the government's response to the report of the Joint Standing Committee on Treaties on its inquiry into the OECD Convention on Combating Bribery and draft implementing legislation, and seek leave to incorporate the document in *Hansard*.

Leave granted.

The document read as follows—

GOVERNMENT RESPONSE TO THE JOINT STANDING COMMITTEE ON TREATIES REPORT

'OECD CONVENTION ON COMBATING BRIBERY AND DRAFT IMPLEMENTING LEGISLATION'

1. RECOMMENDATION, at paragraph 3.42 (page 20)

1.1 The Joint Standing Committee on Treaties recommends that the Australian Government:

- **undertake through diplomatic channels the cooperation of other OECD members to work towards increasing the number of adherents to the OECD Convention and, in particular, the adoption of complementary domestic legislation;**
- **raise the issue of adherence to the OECD Convention, and the passing of complementary domestic legislation, at the next meeting of the South Pacific Forum, and**
- **raise with members of the Association of South East Asian Nations the desirability of adherence to the Convention, and the passage of complementary domestic legislation (paragraph 3.42);**

Government Response

1.2 The Government accepts the recommendation with regard to bringing to the attention of other Governments the fact of Australia's signature of the Convention and the reasons for having taken that step, and in particular, our view that the Convention is a step towards dealing with an international phenomenon which is detrimental to economic development and also to the interests of countries, including Australia, that are working to promote fairer market access and trade liberalisation generally.

1.3 The Government agrees to raise the desirability of adherence to the Convention and the passing of complementary domestic legislation at appropriate meetings in the South Pacific Forum context. The focus over the past few years on economic reform and good governance in the Pacific region has included measures to make government more transparent and accountable. While the provisions of the Convention complement the general thrust of the reform agenda set by Forum leaders, the Government remains mindful of the size of the regional agenda and the capacity of Forum island countries to meet their current commitments.

1.4 Priority in the region is currently being accorded to the enactment of legislation on extradition, proceeds of crime and mutual criminal assistance in line with the Honiara Declaration on law enforcement made by Forum leaders following the 1991 South Pacific Forum meeting. The issues concerned are dealt with in the Forum context by the Forum Regional Security Committee, and by three regional bodies which focus specifically on criminal activity and law enforcement cooperation in the region: the Pacific Islands Law Officers Meeting (PILOM), the Customs Heads Administration Regional Meeting (recently renamed the Oceania Customs Organisation) and the South Pacific Chiefs of Police Conference. At the last meeting of the PILOM, held in Canberra in September 1998, the Australian delegation made a presentation on the Convention and its role in tackling global corruption. With the current focus on the Forum island countries achieving the year 2000 deadline for implementation of the Honiara Declaration, the Australian delegation encouraged the Forum members to implement the three pieces of legislation which would provide vital tools for tackling corruption. The Government considers there would be merit in again raising the issue of adherence to the Convention and the enactment of complementary domestic legislation at the next meeting of the PILOM, which is likely to take place in late 1999.

1.5 The Government considers that as the Honiara Declaration law enforcement legislation remains the region's agreed priority goal, Forum island countries are unlikely to look favourably on Australia pressing the issue of adherence to the Convention

at meetings of Heads of Government or Ministers. Additionally, there is concern in the region to ensure that the agendas for such meetings remain tightly-focussed on the main issues for the region.

1.6 The Government agrees to take appropriate opportunities to raise with member countries of the Association of South East Asian Nations (ASEAN) the desirability of adherence to the Convention and the passage of complementary domestic legislation. The Government is not, however, in a position to encourage ASEAN as an organisation to accede to the Convention, nor can we seek to include the issue on the ASEAN agenda, as we are not a member of the Association. We will also be conscious in raising the issue, that it is likely to be a sensitive subject.

1.7 The Government welcomes and continues to encourage as appropriate, ASEAN policies that lead to improved transparency, good governance and liberalisation of international trade and investigation and that contribute to the elimination of bribery and corruption. In this regard, we welcomed the aspects of ASEAN's Hanoi Action Plan that promote transparency in government procurement, in the application of customs procedures and in the rules and policies relating to investment.

1.8 The Government will continue to encourage the efforts of both ASEAN and South Pacific Forum member countries towards improved transparency and good governance and take appropriate opportunities to raise the issue of adherence to the Convention and passage of complementary legislation.

2 RECOMMENDATION, **at paragraph 5.47** (at p. 38)

2.1 **The Joint Standing Committee on Treaties recommends that the offence proposed to be created in the *Criminal Code Amendment (Bribery of Foreign Public Officials) Bill 1998* be amended to broaden the fault elements under paragraph 14.1(1)(c) to include the element of recklessness.**

Government Response

2.2 **The recommendation that the fault element in paragraph 14.1(1)(c) be 'recklessness' has been considered by the Government which has decided not to accept it but notes that tacit approval of bribery is already covered.**

2.3 Paragraph 14.1(1)(c) of the Bill is consistent with Article 1(1) of the Convention which requires each Party to the Convention to provide "that it is a criminal offence under its law for any person *intentionally* to offer, promise or give any undue pecuniary or other advantage, ..to a foreign public official. . . ".(italics added).

2.4 Intention is a fault element which is consistent with the terminology of the OECD Convention and the existing and proposed *Criminal Code* domestic Commonwealth bribery offences. The use of recklessness would broaden the offence beyond recognised standards for an offence of this type and in any case the *Criminal Code* already catches tacit authorisation by other means.

2.5 The fault element recommendation would go beyond the requirements of the Convention. It would also go further than the domestic offence based on the Model Criminal Code which was approved by the Government for domestic implementation and which proposes that the equivalent fault element be intention. The penalty of 10 years imprisonment is significant and that the definition of intention covers results meant to be brought about or where there is awareness that the result will occur in the ordinary course of events.

2.6. In any case, tacit authorisation of bribery is also covered by the *Criminal Code* general principles in relation to corporate criminal responsibility (Part 2.5) which provides that if an employee commits a physical element of the offence (eg offers a bribe) within the apparent scope of his or her employment or authority, that element will be attributed to the body corporate; and the fault element of intention in relation to that physical element (in this case intention to influence the official) must also be attributed to a body corporate that 'tacitly or impliedly authorised or permitted the commission of the offence.' The means by which authorisation or permission may be established include proving tacit authorisation on the part of directors or a high managerial agent; proof that a corporate culture existed which encouraged, tolerated or led to non-compliance with the requirement not to bribe; or proof that the body corporate failed to create and maintain a corporate culture that required compliance with *the requirement not to bribe.*

3.RECOMMENDATION, **at paragraph 6.39** (at p.46)

3.1 The Joint Standing Committee on Treaties recommends that the definitions included in the *Criminal Code Amendment (Bribery of Foreign Public Officials) Bill 1998* be re-examined with a view to ensuring that, consistent with the scope of the proposed legislation, these definitions are comprehensive and that they are expressed with the greatest possible clarity to ensure certainty in the proposal Bill.

Government Response

3.2 **The definitions have been reviewed and the Bill amended accordingly.**

3.3 All the definitions have been reviewed and, while not all suggestions have been accepted, definitions have been revised where appropriate.

4. RECOMMENDATION at paragraph 7.57 (at p. 59)

4.1 **The Joint Standing Committee on Treaties recommends that the *Criminal Code Amendment (Bribery of Foreign Public Officials) Bill 1998* be amended so that the basis for the exercise of jurisdiction in relation to the proposed offence is extended to include any of territoriality, nationality, residence, place of incorporation or business operation.**

Government Response

4.2 **The Government accepts the recommendation and agrees to extended jurisdiction in relation to conduct outside Australia on the basis of nationality and place of incorporation. The Government has not accepted the recommendation to exercise jurisdiction on the basis of residency or business operations in relation to corrupt conduct which occurs outside Australia**.

4.3. The JSCOT's recommendation that the proposed offences extend to conduct by any person or body corporate with Australian nationality, residence, place of incorporation or business operation arose out of its concern that the requirement in the exposure draft that some of the conduct must be shown to occur in Australia would make it too easy for people to avoid the proposed legislation. The JSCOT also recommends extensions in relation to the ancillary offences. Any amendments to the jurisdiction provision in the principal offence will need to be reflected in the jurisdictional provisions relevant to the ancillary offences.

4.4. The position taken in the original draft of the Bill to require proof of some conduct in Australia is permitted by the OECD Convention and is consistent with our own common law tradition and with the position taken by other common law jurisdictions (for example the UK and Canada).

4.5. However the JSCOT recommendation proposes that we abandon that approach in favour of one which is more consistent with US and European law.

4.6 Most of those who gave evidence to the Committee, including some from the business sector, favoured extending jurisdiction to all Australian nationals and cited the equivalent US legislation and the *Crimes (Child Sex Tourism) Amendment Act 1994* in support of their position.

4.7 The Committee considered jurisdiction was the central issue on which the effectiveness of the Bill would be judged. It concluded that the conduct sought to be proscribed is essentially international criminal activity likely to take place wholly outside Australia and that the objectives and intent of the Bill will not be met unless jurisdiction for the offence is broader.

4.8 The Government accepts the JSCOT recommendation insofar as it agrees to extended jurisdiction on the basis of nationality and place of incorporation but not on the basis of residency or business operations where the conduct is outside Australia. The Government considers that foreign businesses which conduct operations in Australia and residents who are citizens of other countries should be the responsibility of their home jurisdictions in relation to corrupt conduct which occurs outside Australia.

5. RECOMMENDATION, at paragraph 8.25 (p. 65)

5.1 **The Joint Standing Committee on Treaties recommends that the ancillary offences set out in the *Criminal Code Amendment (Bribery of Foreign Public Officials) Bill 1998* be redrafted so that the basis for the exercise of jurisdiction in respect of ancillary offences be any of territoriality, nationality, residence, place of incorporation or business operation.**

Government Response

5.2 **The Government accepts this recommendation, subject to the same limitations detailed at paragraph 7.57; namely jurisdiction should be exercised on the basis of nationality and place of incorporation but not on the basis of business operations in Australia or residence in Australia if the corrupt conduct occurs outside Australia.**

6. RECOMMENDATION at paragraph 9.87 (at p. 85)

6.1 **The Joint Standing Committee on treaties recommends that**

- **neither of the options put forward in the *Criminal Code Amendment (Bribery of Foreign Public Officials) Bill 1998* to address facilitation benefits be adopted;**
- **the *Criminal Code Amendment (Bribery of Foreign Public Officials) Bill 1998* adopt in lieu a purposive approach to facilitation benefits in terms similar to those included in the US *Foreign Corrupt Practices Act of 1977*, and**
- **payment or provision of a facilitation benefit to secure a routine governmental action be a defence to a charge under the *Criminal Code Amendment (Bribery of Foreign Public Officials) Bill 1998***

Government Response

6.2 **The Government considers that there should be a specific defence based on the 'routine governmental payments' provision in the US *Foreign Corrupt Practices Act 1977* but modified to limit the availability of the defence to payments**

- **related to routine government actions of a minor nature, and**
- **of which a record was made as soon as practicable after the payment occurred.**

6.3. The JSCOT recommends that there should be a defence where the payment is to secure a routine government action such as is contained in the US *Foreign Corrupt Practices Act 1997* (FCPA*)*. The majority of those who made submissions (mainly business and legal representatives) favoured aligning the defence to the FCPA because they perceive it to be tested and they want consistency because of the role of that country in world trade and the fact that those laws already apply to large Australian corporations which issue stock in the US. It is noted that the Canadian implementing legislation also takes a similar approach.

6.4. The FCPA provides that it will not apply to any facilitating or expediting payment to a foreign public official if the purpose is to expedite or secure performance of a 'routine governmental action' by the official. The term 'routine governmental action' is defined:

> "A The term 'routine governmental action' means only an action which is ordinarily and commonly performed by a foreign official in:
>
> (i) obtaining permits, licenses, or other official documents to qualify a person to do business in a foreign country;
>
> (ii) processing governmental papers, such as visas and work orders;
>
> (iii) providing police protection, mail pick-up and delivery, or scheduling inspections associated with contract performance or inspections relating to the transit of goods across the country;
>
> (iv) providing phone service, power and water supply, loading and unloading cargo, or protecting perishable products or commodities from deterioration; or
>
> (v) actions of a similar nature.
>
> B The term 'routine governmental action' does not include any decision by a foreign official whether, or on what terms, to award new business to or to continue business with a particular party, or any action taken by a foreign official involved in the decision-making process to encourage a decision to award new business or to continue business with a particular party."

6.5. In fact the 'routine governmental action' test in the FCPA is an imprecise test. US commentators on their country's law have criticised it for:

- allowing the briber to structure the transaction to make it 'routine';
- extending to "actions of a similar" nature which allows it to apply to a very broad undefined category of activities;
- allowing an official to re-order priorities which in itself can be significantly against the best interests of the government;
- excluding from the defence minor but sporadic requests and payments which may not be 'routine' but not as significant as other bribes which are 'routine';
- drawing a line between someone expediting a service and actually ensuring the service is provided at all, a difference which is difficult to distinguish and open to misunderstanding and retrospective reconstruction of what was actually happening.

6.6. The Commentaries to the Convention state "small facilitation payments" do not constitute payments made "to obtain or retain business or other improper advantage" (paragraph 9). It is believed that the basis on which the US considers its "routine governmental payments" defence complies with the Convention is that US courts apply the "sense on Congress" doctrine which effectively means that the US courts will only exempt such payments if they are small payments.

6.7. The US "routine governmental payments" defence is not a "tested" solution insofar as the Australian criminal courts are concerned. Australian criminal courts are cautious and interpret imprecise punitive provisions in favour of the accused. A wholesale transplantation of the FCPA provisions into our law could undermine the effectiveness of the offences.

6.8. However, the Government has taken into account that all the members of the multipartisan Committee were convinced by evidence from business that it was commercially important that Australia's rules in this area be on a par with those in the US. The facilitation benefits issue was one of the central issues which the JSCOT was required to consider and the Government accepts the view of the JSCOT that payment or provision of a facilitation benefit to secure a routine governmental action should be a defence (based on the FCPA provision) to a charge under the *Criminal Code Amendment (Bribery of Foreign Public Officials) Bill 1998*.

6.9. Having accepted the JSCOT's in-principle recommendation the Government must then consider how the defence should be framed. The Government agrees with the JSCOT's conclusion that it is probably not possible to set a specific $ limit which is appropriate in all circumstances. Given the narrow interpretation by Australian courts of criminal legislation the Government considers that the only way for the Australian legislation to achieve the result which the Commentaries indicate is required is to limit the availability of the defence to payments related to routine government actions of a minor nature, and where

a record was made as soon as practicable after the payment occurred.

6.10. The Government has taken the recommendations at paragraphs 10.19 and 13.24 into account in framing its response to the recommendation at paragraph 9.87 (these particular recommendations are considered in more detail at paragraphs 10 and 14 below). The Recommendation at paragraph 10.19 states:

> The Joint Standing Committee on Treaties, having concluded that payments to secure routine governmental action should be an available defence to a charge of bribery under the *Criminal Code Amendment (Bribery of Foreign Public Officials) Bill 1998*, and that there should be an obligation to record such payments in the accounts of organisations, recommends that the Minister for Justice consider the feasibility of imposing a penalty in the Bill for non-compliance and the penalty that should be imposed.

6.11. The Recommendation at paragraph 13.24 states:

> The Joint Standing Committee on Treaties recommends that the Minister for Justice examine the benefits and practicalities of introducing a requirement that payments of bribes be disclosed in business accounts.

6.12 The Government considers that availability of the defence should be conditional upon the defendant having disclosed the transaction in the relevant accounting records and identified the transaction in the accounting records as a facilitation payment.

7. RECOMMENDATION, **at paragraph 10.13** (p. 89)

7.1 **The Joint Standing Committee on Treaties recommends that the penalties prescribed in the *Criminal Code Amendment (Bribery of Foreign Public Officials) Bill 1998* should be increased to provide for the imposition of a fine instead of imprisonment, or in addition to imprisonment, similar in magnitude to the term of fines prescribed in the *Trade Practices Act 1974.***

Government response

7.2 **The Government considers that the criminal penalties of imprisonment and/or a fine proposed in the Bill are more appropriate than the civil penalties in the *Trade Practices Act 1974.***

7.3. The JSCOT concluded that the usual ratio of imprisonment to maximum fine provided for by section 4B of the *Crimes Act 1914* (10 years imprisonment = $66,000 for an individual, $330,000 for a corporation) may provide insufficient financial disincentive to individuals and corporations. The JSCOT recommends that the fine be the same as that provided in section 76, Part IV of the *Trade Practices Act 1974* (ie $500,000 for an individual; $750,000 to $10,000,000 for a body corporate).

7.4 The Government notes that the *Trade Practices Act* penalties to which the JSCOT Report refers are civil pecuniary penalties applying where criminal proceedings may not be brought. An individual corporation prosecuted under Part IV *Trade Practices Act* does not receive a criminal conviction. It is therefore a soft option compared to the proposed offence—notwithstanding the more significant civil penalties- because the Bill would allow (pursuant to section 4B *Crimes Act 1914*) a court, upon recording a criminal conviction, to impose a sentence of imprisonment *and* a pecuniary penalty, or either a sentence of imprisonment or a pecuniary penalty.

7.5 Bribery is well recognised by the community to be a criminal activity and the Government does not consider the provision of civil penalties is an acceptable option.

7.6 The Government does not consider there is any objective justification for treating the penalty for these offences differently to penalties for other criminal offences.

8. RECOMMENDATION, **at paragraph 10.15** (p. 89)

8.1 **The Joint Standing Committee on Treaties recommends that the Minister for Justice consult with the Attorney-General for each of the States and Territories concerning inconsistencies that may need to be addressed between the provisions in the *Criminal Code Amendment (Bribery of Foreign Public Officials) Bill 1998* and in relevant legislation of the States and Territories.**

Government response

8.2 **The Government is already consulting with the States and Territories in a comprehensive way in the course of an ongoing project to establish a national uniform criminal code and will address this issue in that context.**

9. RECOMMENDATION, **at paragraph 10.17** (p. 90)

9.1 **The Joint Standing Committee on Treaties recommends that the penalties for the offence of bribery created by the *Criminal Code Amendment (Bribery of Foreign Public Officials) Bill 1998* should include confiscation of property acquired from the proceeds of the bribery.**

Government Response

9.2 **The Government agrees with this recommendation and notes that the current law already provides for confiscation of the proceeds of crime.**

9.3 The *Proceeds of Crimes Act 1987* already provides for the recovery of the proceeds arising

from the commission of any indictable offence, including the offence proposed in the Bill.

10. RECOMMENDATION AT PARAGRAPH 10.19 (p. 90)

10.1 **The Joint Standing Committee on Treaties, having concluded that payments to secure routine governmental action should be an available defence to a charge of bribery under the *Criminal Code Amendment (Bribery of Foreign Public Officials) Bill 1998*, and that there should be an obligation to record such payments in the accounts of organisations, recommends that the Minister for Justice consider the feasibility of imposing a penalty in the Bill for non-compliance and the penalty that should be imposed**.

Government Response

10.2 **The Government does not consider it appropriate to impose a statutory obligation to disclose facilitation payments and to provide a penalty for non-disclosure as it may suggest people are being forced to incriminate themselves. However, as stated in response to the facilitation benefits defence recommendation, the Government considers that the availability of the defence should be conditional upon the defendant having disclosed the transaction in the relevant accounting records and identified the transaction in the accounting records as a facilitation payment.**

11. RECOMMENDATION AT PARAGRAPH 11.48 (p. 102)

11.1 **The Joint Standing Committee on Treaties recommends that the Minister for Justice examine the viability of undertaking an education campaign with peak industry bodies such as the Australian Chamber of Commerce and Industry, the Business Council of Australia, the Minerals Council of Australia and the Australian Chamber of Manufacturers to inform Australian firms of the provisions of the *Criminal Code Amendment (Bribery of Foreign Public Officials) Bill 1998.***

Government Response

11.2 **The Government sees benefit in an education campaign for business.**

11.3 Education campaigns can be arranged through peak industry representative bodies. The Government notes that some businesses which currently operate internationally already have codes of conduct in place or are in the process of preparing such codes and already operate internal education programs in relation to those codes.

11.4 The Government is happy to assist in the provision of programs where necessary but considers it likely that businesses involved in international trade will have adequate resources of their own to ensure their own representative bodies are able to conduct appropriate education programs.

12. RECOMMENDATION AT PARAGRAPH 11.54 (p. 103)

12.1 **The Joint Standing Committee on Treaties recommends that the Minister for Foreign Affairs request the Australian Agency for International Development to undertake an audit of its good governance programs to ensure that the objectives underpinning the *Criminal Code Amendment (Bribery of Foreign Public Officials) Bill 1998* are adequately incorporated in relevant development assistance projects**.

Government Response

12.2 The Government agrees that some AusAID bilateral projects in the area of governance have scope for incorporation of activities or information relating to Australia's stance against bribery of foreign officials, including the objectives underpinning the *Criminal Code Amendment (Bribery of Foreign Public Officials) Bill 1998*. The Government believes it is important to consider these issues when designing and reviewing AusAID governance activities.

12.3 Governance projects managed by AusAID encompass a wide range of activities, as illustrated by the examples listed in Appendix 7 of the Joint Standing Committee on Treaties' 16th Report. Some of these activities are directly related to the issue of corruption, including bribery, but the great majority are not.

12.4 Performance reviews are a regular feature of the AusAID project cycle. Where relevant current projects come up for major review, AusAID will consider the incorporation of anti-bribery objectives, components, activities and/or information in these projects, including the objectives underpinning the *Criminal Code Amendment (Bribery of Foreign Public Officials) Bill.*

12.5 In designing new projects in the area of governance, AusAID will consider including anti-bribery objectives, components, activities and/or information, including the objectives underpinning the *Criminal Code Amendment (Bribery of Foreign Public Officials) Bill* . Examples of project areas where it may be appropriate to incorporate such information/activities include:

- audit function support;
- establishment/development of ombudsman structures;
- electoral support/reform;
- public sector development/reform (including public sector management and public finance);
- legal sector development/reform (including law reform, law enforcement and correctional

systems, judicial reform and legal education/training);

. private sector development.

13. RECOMMENDATION AT PARAGRAPH 12.21 (p. 108)

13.1 **The Joint Standing Committee on Treaties recommends that the Director of Public Prosecutions and the Australian Federal Police keep under review costs incurred in implementing the *Criminal Code Amendment (Bribery of Foreign Public Officials) Bill 1998* to ensure that funds required for investigation and prosecution of alleged offences are adequate.**

Government Response

13.2 **The law enforcement agencies will review the costs incurred in implementing the *Criminal Code Amendment (Bribery of Foreign Public Officials) Bill 1998* and the costs will be taken into account in the budgetary process.**

14. RECOMMENDATION AT PARAGRAPH 13.24 (p. 113)

14.1 **The Joint Standing Committee on Treaties recommends that the Minister for Justice examine the benefits and practicalities of introducing a requirement that payments of bribes be disclosed in business accounts.**

Government Response

14.2 The Government has carefully considered this recommendation but is mindful of the cost to business of imposing unnecessary administrative obligations. The Government has incorporated the essence of this recommendation in its response to the facilitation payments defence recommendation (see paragraph 6 above).

15. RECOMMENDATION AT PARAGRAPH 13.56 (p. 120)

15.1 **The Joint Standing Committee on Treaties recommends that the Minister for Justice examine the scope for making available rulings on whether future conduct would infringe the provisions of the *Criminal Code Amendment (Bribery of Foreign Public Officials) Bill 1998*.**

Government Response

15.2 **The Government does not consider that the Recommendation that there be rulings on future conduct is appropriate for our judicial system.**

15.3 .The JSCOT was attracted to the US system where the Department of Justice provides advisory opinions on whether proposed 'transactions' breach the legislation.

15.4. This recommendation proposes a costly system which is alien to Australia's system of justice. Under our system persons, and, where relevant, corporations, are expected to exercise caution and obtain independent advice from their own legal adviser where they have doubts about the scope of legislation. The proposal would create tensions between the roles of the Department, law enforcement, the Attorney-General and the DPP and have implications for other areas of criminal justice and government regulation.

15.5 The Government considers that those involved in international trade are likely to have sufficient resources to seek adequate advice on the operation of the proposed offences.

16. RECOMMENDATION AT PARAGRAPH 14.44 (p. 129).

16.1 **The Joint Standing Committee on Treaties recommends that:**

- **Australia sign and ratify the OECD *Convention on Combating Bribery of Foreign Public Officials in International Business Transactions*, and**
- **the *Criminal Code Amendment (Bribery of Foreign Public Officials) Bill 1998* be amended in accordance with the recommendations set out in this Report, and**
- **the *Criminal Code Amendment (Bribery of Foreign Public Officials) Bill 1998* be introduced into the Parliament as soon as practicable.**

Government Response

16.2 **Australia signed the Convention on 7 December 1998. The Government notes that the Convention will enter into force on 15 February 1999 and will synchronise ratification of the Convention with the commencement of implementing legislation.**

16.3 **The Government considers that**

- **the *Criminal Code Amendment (Bribery of Foreign Public Officials) Bill 1998* should be amended in accordance with this response to the Committee's Report, and**
- **the amended *Criminal Code Amendment (Bribery of Foreign Public Officials) Bill 1999* should be introduced into the Parliament as soon as practicable.**

Treaties Committee

Report: Government Response

Senator ABETZ (Tasmania—Parliamentary Secretary to the Minister for Defence) (3.34 p.m.)—I present the government's response to the 14th report of the Joint Standing Committee on Treaties entitled *Multilateral Agreement on Investment: Interim report*, and seek leave to incorporate the document in *Hansard*.

Leave granted.

The document read as follows—

GOVERNMENT RESPONSE TO THE 14TH REPORT OF THE JOINT STANDING COMMITTEE ON TREATIES

MULTILATERAL AGREEMENT ON INVESTMENT: INTERIM REPORT

Recommendation One

Australia not sign the final text of the Multilateral Agreement on Investment unless and until a thorough assessment has been made of the national interest and a decision is made that it is in Australia's national interest to do so.

The Government welcomes the Joint Standing Committee on Treaties' support for its longstanding and clearly articulated position that it would only sign the MAI if it was demonstrably in Australia's national interest to do so.

The Government notes that the undertaking of a comprehensive National Interest Analysis forms part of the Government's treaty making process.

Negotiations within the OECD toward developing a Multilateral Agreement on Investment have ceased, following the French Government's decision to withdraw from the Negotiating Group.

Recommendation Two

The Committee continue its public inquiry into the MAI and provide a fuller report to Parliament at a later date.

It is clear from the officials meeting at the OECD that the draft MAI text has no status and negotiations on the MAI have ceased. Therefore, there seems to be no reason for this Committee to continue its public inquiry into the MAI.

Senator MARGETTS (Western Australia) (3.35 p.m.)—by leave—I move:

That the Senate take note of the document.

This is a very short response, considering the nature of the evidence that was given to the Joint Standing Committee on Treaties. There were just two recommendations from the committee. The first recommendation states:

Australia not sign the final text of the Multilateral Agreement on Investment unless and until a thorough assessment has been made of the national interest and a decision is made that it is in Australia's national interest to do so.

And the second recommendation states:

The Committee continue its public inquiry into the MAI and provide a fuller report to Parliament at a later date.

Let us look at what the government has said:

The Government welcomes the Joint Standing Committee on Treaties' support for its longstanding and clearly articulated position that it would only sign the MAI if it was demonstrably in Australia's national interest to do so.

The Government notes that the undertaking of a comprehensive National Interest Analysis forms part of the Government's treaty making process.

Have we seen it? It goes on:

Negotiations within the OECD toward developing a Multilateral Agreement on Investment have ceased, following the French Government's decision to withdraw from the Negotiating Group.

That is a non-answer. It does not say upon what principle the government has responded. It does not say in any way whether similar agreements will be pursued in other fora, which we hear they will be or may be, and what kind of position the Australian government is taking. Frankly, it does not actually say what position the Australian government is giving to the rest of the international community—if any at all—other than saying, 'We were willing to sign. Let's wait until the next agreement comes along.' Recommendation 2 states:

The Committee continue its public inquiry into the MAI and provide a fuller report to Parliament at a later date.

The government is saying, 'No, take your pencils and go home.' Recommendation 2 continues:

It is clear from the officials meeting at the OECD that the draft MAI text has no status and negotiations on the MAI have ceased. Therefore, there seems to be no reason for this Committee to continue its public inquiry into the MAI.

What will happen the next time the government put their hand up for something similar? Have the government said to the international community that they are not interested in any further negotiations in the World Trade Organisation? Have the government said that they are not interested in pursuing a similar agreement in some other fora? Does this mean that the government are not interested in coming to a position where they can take a new policy forward based on this whole idea of coming to some sort of national interest analysis on where we should be going on these issues? Quite frankly, I think we will be left behind the eight ball if the government is not willing to see the problems and the concerns that are arising and deal with them on the basis on which they are put—earnestly,

fervently and quite well informed by a wide range of people throughout Australia.

I realise that some of the submissions they received consisted of only one page, and some were handwritten letters from people concerned that the Australian government should even consider going into something like the Multilateral Agreement on Investment, as were most people who heard some of the issues that were expressed and presented in the media. Reading out the planned text was enough to put most people's teeth on edge. What does this mean for the future? We have been given nothing at all from this government to indicate what position Australia will take in the future on similar agreements. There is no indication whatsoever that similar agreements are not being pursued. We know that they are through the World Trade Organisation.

Fortunately, there is a shared concern amongst many in the developing world that this was something that the developed world was trying to put upon them. They could see that in many cases their situation may be even worse than it is now. I am very sad that it came down to one or two countries in the OECD expressing concern. It is very sad—I suppose it is quite encouraging in a way but sad at the same time—that the Internet provided most of the information to people in a wide and growing number of countries who were trying to find out about this proposed treaty and trying to communicate with people in other countries about what they felt—not what their government said other countries felt but what the people in different communities felt.

When our government stood up and said, 'This country or that country thought it was a good idea,' or, 'There were no problems except some little problems in France,' it was very useful for people in Australia to know what the issues were amongst those communities outside the negotiating teams of those particular countries. It may not surprise you that we are not the only country which thinks that perhaps our department of foreign affairs might not always act in the best interests of all citizens of Australia.

I think this has been a very interesting exercise for this government. I guess they were landed with a situation which was started under the previous Labor government. It is true to say that, if there was secrecy under the current government, we knew even less about it under the previous government. I think the lesson to be learnt is inform your citizens earlier. Find out what the issues are. Then maybe, if you are in a negotiating forum on these major international issues, you might go with some authoritative angle, knowing what the citizens of your country believe and want in relation to future agreements.

This particular agreement was one that was largely developed, we believe, for the interests of very large corporations. There is very little for the interests of communities and the values that we all value so dearly—environmental values, social values, community values, the things which cannot and should not be overruled by the need and desire for profits for large corporations. I am extremely relieved, as are many people in Australia, that the negotiations for the Multilateral Agreement on Investment fell over. I am not satisfied that the Australian government have listened to the messages that many people have tried to purvey to them. We still have not heard any decent response to say what the Australian government have decided or what the Australian government think they will do in further negotiations in relation to such treaties in the future.

Senator MURPHY (Tasmania) (3.43 p.m.)—As a member of the Joint Standing Committee on Treaties at the time that it dealt with this issue, I have to say that I am quite surprised at the government's response to the report handed down by the committee, because this was looking like a very serious international agreement. I read that the government says in response to the recommendation from the committee that:

Australia not sign the final text of the Multilateral Agreement on Investment unless and until a thorough assessment has been made of the national interest and a decision is made that it is in Australia's national interest to do so.

The Government welcomes the Joint Standing Committee on Treaties' support for its longstanding and clearly articulated position that it would only

sign the MAI if it was demonstrably in Australia's national interest to do so.

The Government notes that the undertaking of a comprehensive National Interest Analysis forms part of the Government's treaty making process.

Negotiations within the OECD—

and this is the interesting part—

toward developing a Multilateral Agreement on Investment have ceased, following the French Government's decision to withdraw from the Negotiating Group.

Therefore, we will not continue. But it was not just the OECD that was involved in this process. The process on a Multilateral Agreement on Investment started within the OECD, but other countries were involved.

On this particular matter, I would be interested in hearing the government explain what has happened with the overall negotiating process. With the French having said, 'We're out,' what is going to happen? Is there going to be a continuation of negotiations? We were told on many occasions during the committee process by the officers who came before us—as Senator Abetz would be aware from the times he actually turned up—

Senator Abetz—Shame.

Senator MURPHY—I have to say that, for the officers, travelling off to Paris every six weeks seemed to be the only beneficial thing that was involved in this negotiating process. I thought that was pretty good—every six weeks, off they went to Paris.

Senator Abetz—But who started the process? It was your government that started the process.

Senator MURPHY—Senator, it does not matter who started the process. When this thing really started to come to the boil, there was much concern from the general public and much concern from non-government organisations that had not been consulted about this in any way, shape or form. The effect of this could have been quite significant upon local government and various other non-government organisations, yet there was no consultation. Furthermore, it seemed quite clear that there was little consultation even between departments on this issue.

I wrote to the then Chairman, Bill Taylor, on 19 August 1998. It was then, and only then, that he wrote to the Treasurer, Peter Costello. I would like to read a few lines from Mr Taylor's letter, because I had raised all of these issues with him. At that time—and this is in August 1998, the last briefing we received from the department—it was full steam ahead. Multilateral Agreement on Investment, here we come. That was the way it was going to be. We were told, 'Well, we will have to have these things. If we find ourselves sitting on the outer, it could be in breach of the WTO,' or this, or that, or something else. A whole range of reasons were put up to us which really, quite frankly, did not hold water.

As I have said, the consultation process was nowhere to be seen. I know that the government members on the committee acknowledged that because Bill Taylor, in his letter to Peter Costello, the Treasurer, said:

Most importantly—

and this is in part—

there has been no attempt to explain the benefits of regulating the movement of international capital. Similarly, there has been no attempt by Commonwealth officials to counter simplistic arguments that the draft Agreement will have an impact on Australia's sovereignty, or that foreign investment per se is detrimental to the Australian economy.

He went on:

Although it would appear that 'consultations' are now being held with some non-government organisations, they are far too late in the overall process to be credible. In any event, the Committee has been advised that these sessions are more like one-sided briefings than genuine negotiations, or even discussions about the issues raised by the draft Agreement.

The Canberra hearings have raised a number of particular concerns about the approach being taken to the draft MAI by the Departments of Industry, Science and Tourism and Communications, the Information Economy and the Arts.

This is the point I raised in my letter to the then chairman of the committee. Within the draft agreement, there was this process of having annexes upon which certain things would be allocated. I was very interested to find telecommunications, which can affect the sale of Telstra, placed in annex B; that is, they were subject to the roll-back provisions

of the agreement. That means that we would be required in the fullness of time to allow 100 per cent ownership of the telecommunications industry in this country. That could have been the net effect.

Senator Abetz—Could have been.

Senator MURPHY—Senator Abetz has interjected 'could have been'. Yes, Senator Abetz, and it has not been and is still not being proceeded with only because of the concern we raised in the committee.

Senator Abetz—Ha, ha, ha!

Senator MURPHY—I have not seen a letter from you, Senator Abetz, to the chairman, or to anyone else, or to your Treasurer; I have not seen any record coming from the committee that other senators from the government wrote expressing their concern about this particular draft agreement.

Senator Abetz interjecting—

Senator MURPHY—No, Senator Abetz, you never did and were not likely to. But that fact remains: clearly it was not and will not be in the national interests of this country for this sort of agreement to proceed. However, as I said at the outset, I believe that the government ought to respond in a little more detail than it has about what it intends. Okay, the French are out; we are out. The French are back in; we are in. What is the game? You really have not responded. You have used the excuse here to say, 'Well, look, because the French have vacated, we vacated.' Does that mean, as I said, when they come back, we go back? You have to give a better response to what is a very significant process that could see us signing up to a very significant agreement in the future. I have to say that this response to that committee report is totally inadequate.

Senator ABETZ (Tasmania—Parliamentary Secretary to the Minister for Defence) (3.50 p.m.)—I need to make a brief contribution in this debate, given the gross misrepresentations that have occurred this afternoon in relation to the government's response to the Multilateral Agreement on Investment report from the Joint Standing Committee on Treaties. It would be worthwhile for the Senate to consider the history of international treaty making in this country. When we went to the election in 1996, a policy of ours was to establish the Joint Standing Committee on Treaties so that these sorts of things could be examined in the public arena, with all members of parliament, so that there would be some transparency in the treaty making process.

When did the Multilateral Agreement on Investment start its negotiations in Paris with the OECD? It was under the previous Labor government, who were in opposition to transparency in our treaty making process. Indeed, former Senator Gareth Evans is on the public record time and time again saying that the treaty making process should not be part and parcel of parliamentary inquiry because you could not have every man and his dog looking at these treaties. We as a government were absolutely and utterly committed to involving the democratic processes of this country. That is why we established the Joint Standing Committee on Treaties.

Senator Murphy interjecting—

Senator ABETZ—Indeed, but for our policy to do so, Senator Murphy, you would not have had the opportunity of even sitting on the committee. But we remained true to our election policy of establishing that committee.

The precursor to the committee was the Senate Legal and Constitutional Committee's report on the external affairs power. I had the great pleasure of sitting on that committee when it came down with its unanimous report suggesting that a committee such as the Joint Standing Committee on Treaties should be established. We were the only party that went to the election with that policy. We were elected. We established the committee. Given my involvement in the Senate Legal and Constitutional Committee, I put my hand up and was very pleased to be chosen to sit on the inaugural Joint Standing Committee on Treaties.

Senator Murphy passes the gratuitous comment across the chamber as to whether or not I had bothered to turn up. He should have turned up. He should have read the *Hansard* because he would have found one of the most potent cross-examinations was undertaken by me of Treasury officials. I would invite you

to read the *Hansard* because people with a concern about the Multilateral Agreement on Investment in fact reprinted the *Hansard* and took it around the country as an example of how our treaty making processes were actively at work involving the democratic process. I addressed public meetings in Tasmania and around Australia on that very issue.

Senator Murphy—Supporting it?

Senator ABETZ—No, not at all. I involved the body politic in the process because, unlike the previous Labor government that had commenced the process in secret without telling anybody—that was the Labor Party's view of the world in relation to this treaty—when we came to government we agreed to put the draft document on the Internet so everybody could have access to it. Did it ever go on the Internet under Labor? No, not a printed word from the previous Labor Party because they were negotiating in secret. We as a government had nothing to hide. We were happy for the draft exposure to go on the Internet and for it to go to the Joint Standing Committee on Treaties for public examination, because we happen to believe in the democratic process.

So it is highly disingenuous of speakers from the Labor Party to come into this place and assert that somehow they were the champions of democracy or champions of the people in relation to this issue. We as a government had said all along when we got into government and found out that the Labor Party had been negotiating secretly on this that we will continue the negotiations with one major caveat, that is, it is within Australia's national interest; and to determine whether it was in Australia's national interest we involved the public.

We got the people of Australia to access it on the Internet. We allowed them to make submissions to the Joint Standing Committee on Treaties, something that the previous Labor government would never have allowed. We allowed all that to occur. It is therefore highly disingenuous for people such as Senator Murphy to come into this chamber making what are quite bald and nonsensical assertions when you have a look at the history of the treaty making process in this country.

In relation to the two recommendations that were made by the committee—and, as I understand it, unanimously, Senator Murphy, you and I in fact agreed on this—that Australia not sign—

Senator Murphy—Exactly. It is the government's response I am talking about.

The DEPUTY PRESIDENT—Order! Senator Murphy!

Senator ABETZ—No.

The DEPUTY PRESIDENT—Senator Abetz, address the chair please.

Senator ABETZ—Thank you, Madam Deputy President. You might like to remind others not to interject.

The DEPUTY PRESIDENT—I have just called people to order.

Senator ABETZ—There were two recommendations from the Joint Standing Committee on Treaties. The first recommendation was that Australia not sign the final text of the Multilateral Agreement on Investment 'unless and until a thorough assessment has been made of the national interest and a decision is made that it is in Australia's national interest to do so'. Where was the Labor Party's dissenting report saying that that is an outrageous recommendation, that we should not consider a Multilateral Agreement on Investment in any shape or form?

You signed off, Senator Murphy, along with all your Labor colleagues, on the recommendation that Australia not sign the final text of the Multilateral Agreement on Investment 'unless and until a thorough assessment has been made and a decision is made that it is in Australia's national interest to do so'. So you were prepared for the process to continue with us making an examination as to whether it was in Australia's interest to do so. You have now come into this chamber, having signed off on that report, making the assertion that you and the Labor Party were against this Multilateral Agreement on Investment from the beginning when you in fact were the initiators of Australia being involved in this agreement. It is outrageous.

Senator Murphy—I rise on a point of order. Senator Abetz has just said that we

claim to be opposed to the committee's recommendations. That is simply not true. What I questioned was the government's response—nothing else.

Senator ABETZ—This is a debating point.

Senator Murphy—It is not a debating point. You made a statement which was blatantly wrong.

Senator ABETZ—Read your speech.

Senator Murphy—No, you read the *Hansard*, Senator Abetz, because I said that I was concerned about the government's response, not the committee's recommendation.

The DEPUTY PRESIDENT—What is your point of order?

Senator ABETZ—There is no point of order and he is wasting my time.

The DEPUTY PRESIDENT—Excuse me, Senator Abetz. I will make the call on whether there is a point of order, thank you.

Senator ABETZ—And I am sure you will agree with me.

The DEPUTY PRESIDENT—There is no point of order. I would appreciate less interjection and I would appreciate people addressing the chair.

Senator ABETZ—Thank you, Madam Deputy President. The government responded to this recommendation, which Senator Murphy signed off on, which said that Australia not sign 'unless and until a thorough assessment has been made and a decision is made that it is in Australia's national interest to do so'. He did not sign off on a report suggesting that we should close down all discussions. Senator Murphy or any of his Labor colleagues did not suggest that the process should be discontinued absolutely. Indeed, the committee unanimously agreed that we should keep monitoring it to see whether it was within the national interest. The government's response was—

Senator Murphy—Yes?

Senator ABETZ—Well, I will read it to you. It said:

> The Government welcomes the Joint Standing Committee on Treaties' support for its longstanding and clearly articulated position that it would only sign the MAI if it was demonstrably in Australia's national interest to do so.

That has been this government's stand from the beginning and that is our response. In other words, we accepted recommendation No. 1. Recommendation No. 2 states:

> The Committee continue its public inquiry into the MAI and provide a fuller report to Parliament at a later date.

That second recommendation was made on the understanding that negotiations were still taking place. In relation to the fact that negotiations stopped and the whole thing has fallen apart, it would be quite silly for the committee to continue its inquiry into something that is non-existent. But, of course, that is how Senator Murphy has made a name for himself in this chamber—pursuing issues that are non-existent. This is a very sensible response by a government to a very sensible report from the Joint Standing Committee on Treaties on which there was unanimous support from all members of the committee.

Question resolved in the affirmative.

Treaties Committee

Report: Government Response

Senator STOTT DESPOJA (South Australia—Deputy Leader of the Australian Democrats) (4.01 p.m.)—by leave—I move:

> That the Senate take note of the document tabled earlier today.

I rise to speak very briefly on the government response to the report of the Joint Standing Committee on Treaties on its inquiry into the OECD Convention on Combating Bribery and draft implementing legislation. Before I do so, given that we are talking about the role of the Joint Standing Committee on Treaties and in particular that important issue of access to treaties on the Internet, an initiative which I think most people in this place would support, I want to clarify for the record that I believe Senator Abetz was suggesting that this was a promise of his government. I am willing to acknowledge that, but I think it is important to put on record that in fact the allocation of money for the purposes of putting treaties on the Net and the permission to do so was actually granted in 1995, before this government came into office. While that process was

set up in early 1996, I am sure that Senator Abetz would acknowledge that, while I have no doubt they were committed to that project, it was not necessarily done under the auspices of the coalition government.

Senator Abetz—Not draft treaties though. That is what we are talking about. We are putting the draft treaty on the Net.

Senator STOTT DESPOJA—I acknowledge that interjection of the initiative to which Senator Abetz refers of putting draft treaties on the Net. I should also put on record the role of Senator Vicki Bourne in the process of advocating very strongly and over a long time for not only access to treaties but also the issue of transparency and accountability in terms of treaty signing and treaty making in this nation.

Senator Abetz—A sensible Democrat policy.

Senator STOTT DESPOJA—Senator Abetz is nodding. I hope that is an indication that he also acknowledges the role in that process of Senator Vicki Bourne, who has for a long time expressed the concerns on behalf of the Democrats and indeed many members of our community about the processes that have been going on for a number of years in relation to the Multilateral Agreement on Investment.

The Democrats do welcome the report of the Joint Standing Committee on Treaties and the ministerial response in relation to the 16th report, entitled *OECD convention on combating bribery and draft implementation legislation*. The Democrats remain extremely concerned about the ongoing abuse of bribery in business internationally. In light of the political and economic developments over the last year, we also have particular concerns in relation to our own region. The OECD report and the subsequent movement towards an international agreement to address the issue of bribery in business is welcomed. However, we remain concerned about some of the definitions—perhaps described as lax definitions—of corruption.

The background to the OECD report seems to be the United States position on the Foreign Corrupt Practices Act. In that legislation, an exception is available for bribes which can be classified as facilitation payments. I will not address that issue here in any length, but I put on record our curiosity and concern about this exception. Anecdotally, the use of facilitation payments by some businesses has been responsible for many of the distortions in business process within the economic systems of some of our nearest neighbours.

It seems to be that all that may be required for a bribe to become legal is that an official assures you that the business deal would go ahead. Any money offered after that moment is a facilitation payment as opposed to a bribe. We remain concerned. The Democrats are concerned that Australia provide a leading example of the long-term strengths of honest international business. Australians have an excellent reputation internationally on this. We do not believe that the legislative response should endorse or allow for any other possibility.

I note that almost a year ago a senior lawyer was quoted in the *Financial Review* as saying:

> Most Australians accept that paying bribes to our own officials destabilises our democracy, and we don't tolerate it as a community. How can anyone argue that it's an acceptable practice in other countries, particularly newly developed democracies?

That was Peter Butler, a senior partner from Freehill Hollingdale Page, quoted in last year's *Australian Financial Review* on 31 March. That statement was made even before we were fully aware of some of the developments in our region and certainly the depth of the Indonesian crisis.

The Democrats welcome the Joint Standing Committee on Treaties report on the OECD convention. We certainly want to see an ongoing commitment from this government to supporting stringently honest models for business. I add to those comments by saying that one concern we have had is that we seem to have been promised a response and legislative action on this issue for a long time now. I believe we have been promised some kind of legislative response and action for certainly over a year. I hope that this is finally it and that we will see work from this government

that ensures that we maintain our reputation in the international business sector. But it has taken a while. With that qualification, the Democrats certainly welcome the government's response before us today.

Question resolved in the affirmative.

Public Accounts and Audit Committee

Meeting

Motion (by **Senator O'Chee**)—by leave—agreed to:

That the Joint Committee of Public Accounts and Audit be authorised to hold a public meeting during the sitting of the Senate on Monday, 22 March 1999 from 12.30 p.m. till 1.00 p.m., to take evidence for the committee's inquiry into matters relating to Audit Report no. 34 of 1997-98 on the new submarine project.

Community Affairs Legislation Committee

Membership

The ACTING DEPUTY PRESIDENT (Senator McKiernan)—Order! The President has received a letter from the Leader of the Government in the Senate seeking a variation to the membership of a committee.

Motion (by **Senator Abetz**)—by leave—agreed to:

That Senator Lightfoot be discharged from and Senator MacGibbon be appointed to the Community Affairs Legislation Committee.

BILLS RETURNED FROM THE HOUSE OF REPRESENTATIVES

Message received from the House of Representatives acquainting the Senate that it had agreed to the amendment made by the Senate to the following bill:

Judiciary Amendment Bill 1998.

WOMEN IN THE WORK FORCE

Senator MACKAY (Tasmania) (4.09 p.m.)—I move:

That the Senate—

(a) notes the Howard Government's long-term agenda to cut wages for low income workers which will see women, who dominate low-paid, part-time and casual occupations, significantly worse off;

(b) rejects the Government's intention, signalled by the Minister for Employment, Workplace Relations and Small Business (Mr Reith):

(i) to abolish the no disadvantage test, removing what little protection many women workers have when moving to Australian workplace agreements, which will result in the wage gender gap widening,

(ii) to exempt small business from award provisions, and

(iii) to institute wage discounting for the unemployed, thus penalising women workers who are more likely to exit and then re-enter the workforce; and

(c) notes that:

(i) women workers still have not achieved equal remuneration in Australia,

(ii) as a result of the Government's deregulation of the labour market, the gender gap in wages and conditions is growing steadily,

(iii) women workers are systemically discriminated against in Australian workplace agreements, and

(iv) women workers are increasingly suffering a loss in basic conditions like maternity leave.

Before I get to the substance of the motion, I want to comment on what happened at question time today. I have to say today was the closest I have ever seen Senator Newman come to swearing when she yelled across the chamber, 'Those feminists on the other side of the chamber!' Obviously, she regards the term 'feminists' as a pejorative term. I am proud to say I am a feminist. I am proud to say that many women on our side of politics are; and I am also proud to say that many women on the other side of politics are feminists as well. So I think it was extremely unfortunate that she used that term. The Acting Deputy President wishes to indicate that he would also like to be considered a feminist, so I am happy to include him in the happy band. It is unfortunate that she did that. She may as well, in terms of the tone of it, gone the whole hog and talked about 'feminazis' like her colleague Mr Katter has.

I was disappointed, and I think women on the other side of politics probably were disappointed as well, because this indicates the way this government characterises what they term the elites. The elites are regarded by this government as being feminists, Aborigines and so on. This is a term that was

imported from the Republican Party in the United States. And also the term 'political correctness' was imported from the Republican Party in the United States and adopted by this government. Everybody knows, of course, that this coalition have had substantial assistance from the Republican Party in the US in relation to this. I think that was very unfortunate and I know that there would be women senators on the other side of the chamber who share that view.

It does explain one thing, and that is that there is no getting away from the fact that, for the first time ever in Australia, more women voted in the last election for the Labor Party than for the coalition, which we were very happy about. It is a record that we intend to keep. We have been very conscious that this has not happened in the past; but, at the last election, for the first time, it did. This is the result of the peril of characterising feminists, women, and those sorts of issues as so-called elite issues. The reality is that many issues on which this government does not have a good record relate directly to women.

In these days, unfortunately, women still have the primary responsibility for child care. The industrial relations changes which this motion goes to—and my colleague Senator Collins will be dealing with that in great detail—have a major impact in relation to women. The cutbacks to legal aid have also had a major impact in relation to women. That is the difficulty—that feminists, that women, are not part of the elites as some members of the government like to characterise them. I think the price for this was paid at the last election in terms of the women's vote. According to our research, women were not in favour of the privatisation of Telstra and they were not in favour of the GST and a number of other key issues that the election was fought on. I would advise Senator Newman to rethink her rhetoric and, if she has any shame, she really should withdraw what she did in question time today. I certainly found it offensive and I know a number of other people did.

Going to the substance of the motion, it is unbelievable that it is now basically a given that this government is about a low wage economy and about lowering wages. That agenda was exposed and writ large in the Reith paper which has got a lot of prominence and which we will be discussing at length today. I found it ironic, and I am sure Senator Collins did, that when the Reith paper was released it talked about a low wage economy and talked about lowering wages for Australians in such bald terms. During the long and tortuous hearings into the workplace relations bill—as it was then—we made the point, over and over again, that the government had to heed its promise during the campaign that no worker would be worse off. Of course, we knew that was rubbish. We have yet to see the second wave IR bill, although I understand that it will be introduced in the House of Representatives sometime soon. Has it already been or will it be sometime soon?

Senator Jacinta Collins—It is scheduled.

Senator MACKAY—Right. It is scheduled to be introduced. We knew that the Workplace Relations Act and the second wave IR bill were about lowering wages for Australians because the government's vision in relation to Australia—the myopic vision that this government has—is about a low wage economy. The more you lower wages the more jobs you will create—that is the way the cant goes. That is the way Peter Reith and Peter Costello talk in relation to it—which puts paid completely to the commitment that the government gave that no worker would be worse off under its industrial relations deregulation. So the government did not tell the people of Australia the truth in 1996 and of course, as we now discover, not to our surprise, the government did not tell the people the truth in relation to the last election either. Because of course we have the Reith paper, we have the second wave industrial relations coming in.

Senator Jacinta Collins interjecting—

Senator MACKAY—Yes, that is right, Senator Collins. In fact, not only was it not revealed but Minister Reith indicated that he was prepared to soft-pedal—I think that was the term that was used—on IR. Of course we knew that was complete rubbish. And if you want to have a look for somewhere which empirically shows this is complete rubbish,

have a look at my home state of Tasmania. Tasmania has the lowest wages in Australia. Tasmania has the lowest growth rate in Australia. Tasmania has the worst performing economy. Tasmania has the lowest participation rate, and so on. This would seem—with the lowest wages outcome in Australia—to be the ideal place for a boom in relation to jobs, but it has the highest unemployment rate and the highest long-term unemployment rate.

So it simply does not work. You cannot say that lowering wages automatically increases employment, because it does not work and it has not worked in Tasmania. So I am hoping that with the incoming government this may be turned around. They have a big task ahead of them. Just while we are talking about Tasmania—and Senator Abetz is in the chamber—I remember, and Senator O'Brien may too, Senator Abetz's infamous speech to the HR Nicholls Society—

Senator Abetz—A very famous one—not infamous, famous.

Senator MACKAY—He talked about Tasmania becoming a test tube—I think that was the term—in relation to a new industrial relations regime.

Senator Abetz—No, I did not say that.

Senator MACKAY—What did you say then? What was the term used?

Senator Abetz—I did not say that. That was another guest speaker.

Senator MACKAY—I see. Anyway, Senator Abetz said that Tasmania would be an ideal place to trial a new industrial relations system.

Senator Abetz—I said it needed industrial relations reform, and we got it.

The ACTING DEPUTY PRESIDENT (Senator McKiernan)—Order! You are not allowed to conduct conversations across the chamber. Senator Mackay has got the call.

Senator MACKAY—Thank you, Mr Acting Deputy President. I will attempt not to be distracted. And I also remind Senator Abetz about the hoo-ha made when he was on his feet about people interjecting. So I ask him also not to interject. But I will not be diverted by him.

The Reith paper—apart from the lower wages—also talks about wage differentials for regional Australia. Here again we have a case writ large in my home state of Tasmania, which, not by planning, has the lowest wage outcome and the lowest wages in Australia and has not created any jobs. The reality is that if you want to actually grow an economy there are a whole lot of other things—like industry policy, strategic government intervention and so on—in relation to it. So it does not happen. You cannot get the so-called fundamentals right—the mantra this government talks about—and then introduce wage differentials and give people in regional Australia lower wages and expect job creation, because it does not work. Mr Acting Deputy President McKiernan, I am sure you are aware of that, coming from Western Australia.

Just to move more onto the motion, I notice that Senator Stott Despoja is also on the speakers list, and I suppose that she will also traverse this issue. And that is the issue of what has happened in Employment National with regard to the scrapping of paid maternity leave. Here again the government says, 'We have an excellent record with regard to women. Women are not worse off under this government. Women's conditions are protected. Women's wages are protected.' Here we have a very tangible case where it did not happen.

What happened with Employment National is that many of the workers who went from the old CES or Centrelink or whatever into Employment National attempted to take with them the conditions that they enjoyed in the public sector. When they sought employment at Employment National they were asked to sign an AWA which essentially provided a significant diminution of their conditions compared to what they had enjoyed in the public sector.

Under the provisions of the Workplace Relations Act there is supposedly a test called 'the no disadvantage test', and Senator Collins and I are only too aware of the details in relation to that. When these workers were faced with the AWA many of them did not want to sign it. In fact, when I was respon-

sible for the employment estimates, which I no longer am, thank God, I had a talk to Employment National—I forget who it was; I think it might have been Mr Halstead—and said, 'Was there any coercion in relation to signing the AWA?' We had evidence that there was coercion. His response was, 'Look, Senator'—and I can virtually remember it word for word—'if they won't sign this AWA we don't want them working for us.'

Senator Jacinta Collins—That's choice!

Senator MACKAY—If that is not coercion, I do not know what is. Of course, as Senator Collins says, it does not represent choice whatsoever. 'We do not want them working for us.' Why the Employment Advocate in his assiduousness did not take this up in terms of a breach of the Workplace Relations Act I do not know, Senator Collins, but he did not.

What we have now is a situation whereby prospective employees of Employment National will no longer get the three months paid maternity leave that women have in the public sector. I do not know if people here are aware of the detail, but the case that the CPSU ran was, in fact, a test case for the setting up of agencies where there have been significant outsourcing or changes of functions and so on to ensure that the same conditions that people—in terms of the work that they were doing in the public sector—could be transferred over into the corporatised agencies or whatever, as Employment National is. And the decision, as we now know, is that paid maternity leave was scrapped.

This is actually very serious. This is a condition for Australian women that was fought long and hard for through the trade union movement. This is a condition which the trade union movement sought to extend, and was successful, in relation to the parental leave provisions. So that is very serious. It is extraordinary for this government to allege that women are not worse off in relation to its industrial relations regime, because they clearly are.

Moving along to the substance of the motion, we have seen a major wage differential occurring with regard to remuneration in the broader sense of the term and also specifically wages in the narrower sense of the term between men and women under Peter Reith's industrial relations legislation. There is no doubt that that has occurred, and there are many reasons why it has occurred. One of the main culprits is, of course, the AWAs—Australian workplace agreements—and the way that the no disadvantage test is applied.

There is no reason why anybody here ought to be an expert on this, but for those senators who do not know how it is applied, the Employment Advocate basically takes the award or agreement that he regards as being closest to what the worker will be doing in relation to what the AWA is covered by and applies it. Quite often, that is what is called a minimum rates award. In a situation where there is a minimum rate that workers are paid and there are substantial overaward rates paid, the Employment Advocate discounts all those and goes straight to the minimum rates. He also ignores non-registered agreements, of which there are many in the workplace. Where there is no award—and there are many areas where there is no applicable award—he just finds the one he thinks is relevant and applies that. The problem with that is that most of the areas where there are no awards and where awards do not apply are many of the areas where women work—there is just no getting away from it: women are the most disadvantaged in relation to job security, wages and conditions—so the way that that is applied automatically disadvantages women.

Women have far less bargaining power in the marketplace than men, and this is why the coercive tactics that are used by some unscrupulous employers impact disproportionately on women. We do not have to be anecdotal about this. I will just remind you again of the quote from the CEO or whoever it was at Employment National who said, 'If they don't want to sign an AWA, we don't want them to work here.' That was in *Hansard*—we are not exactly talking about anecdotal evidence that cannot be substantiated.

As we went around Australia we saw case after case where women—young women in particular—were being coerced by employers into signing AWAs. The worst state we found was Western Australia—your home state, Mr

Acting Deputy President McKiernan. I think that was under the reign of Minister Kierath in relation to industrial relations. Western Australia, prior to the introduction of the Workplace Relations Act, was by far the worst state. We had case after case and evidence after evidence of women being made to sign AWAs which meant that they were substantially worse off.

The ACTU recently conducted a study and it found that, between 1996 and 1998, there was a four per cent increase in the gender gap in the hospitality industry between male and female full-time workers and ordinary time earnings and there was a massive 11 per cent increase in the gap in the average weekly total earnings in the entire industry. It also found 'the gender gap stalling in retail and manufacturing and increasing in the gender gap between male and female full-time workers in education, property, business services and in hospitality'. This disproportion obviously affects women because they dominate these sectors.

The industries include the hospitality industry, where women make up 56 per cent of the work force; the retail trade, where women make up 51 per cent of the work force; education, where women make up 68 per cent of the work force; and health and community services, where women comprise a massive 77 per cent of the work force. These are the industries where the gender gap is occurring and where the ghettoising of women occurs. That is why the equal remuneration case is so important and that is why that issue—which has still not been resolved in Australia—is so important to pursue. But it will certainly not be pursued under the Workplace Relations Act and it will certainly not be pursued under Minister Reith's proposals.

I have spoken extensively with regard to AWAs. They are secret. You are not allowed to disclose the contents of another person's AWA—you may know your own—so, of course, you have situations where employees on separate AWAs are working next to each other; and that clearly is not desirable. There is a plethora of AWAs in the industries and sectors where women are employed, particularly in hospitality, retail and community services occupations, and many of those are very insecure occupations indeed. Also, women tend to be congregated in non-unionised areas; and there is absolutely no doubt, if you have a look at the figures, that people who are members of unions, where the unions collectively bargain on their behalf, are gaining increases substantially over and above those who are not in unions. So I think there is a bit of a salutary lesson there which we do not need to learn.

In the industries that we talk about, where women are often left to bargain with the employer on their own, there is no protection, there is no umpire, there is no AIRC. Basically under the current workplace relations regime there is empirical evidence that women's wages and women's remuneration are dropping. We now have a stated objective by Minister Reith that lower wages is an aspiration that this government will be working for. In Minister Reith's paper—and we have yet to see the legislation—it is very clear that workers will have lower wages, because that is precisely how the government is going to structure—or not structure, should I say—and deregulate the labour market completely; and, of course, the group that will be most affected by that will be the usual group, which is women. As far as we are concerned, Minister Reith's plans, whilst they are a vindication of what we have been saying for the last three years, will mean lower wages—that is a stated objective—and substantially lower wages for women.

Senator FERRIS (South Australia) (4.29 p.m.)—I am particularly pleased to respond to Senator Mackay's motion, especially during this week when we are celebrating International Women's Day. As a woman in the 1960s and 1970s who juggled a profession and a family with very unsympathetic employers, with very inflexible child-care arrangements and a government which, until 1966, required women to resign when they were married, I will begin my contribution today by saying, 'Thank goodness those days have gone.'

In her contribution today, Senator Mackay talked about a low-wage economy. She referred to Tasmania and she talked about

regional Australia as if we are going to return to some version of the dark ages. Let us be realistic. The dark ages were when women in this country had to juggle their family budgets with interest rates of 18 per cent, with mortgage rates more than double what they are now and with a million people out of work. If they were not the dark ages for women, I would like to know what they were. Women certainly paid a very high price in those days trying to manage the family income.

The shadow minister for the status of women, Jenny Macklin, said this week:

> Women are bearing the brunt of this government's conservative social agenda and they are finding themselves economically worse off and disproportionately suffering from cut-backs to health, to education and to welfare services.

I do not know where Jenny Macklin was in the 1980s, but I suspect that Jenny Macklin was not responsible for managing a family budget where she had to cope with interest rates that were near 20 per cent and inflation that was running out of control. There were people in everybody's street who were out of a job and their mortgage rates were increasing every quarter as banks put interest rates up and up.

These days, times are very different. Our government supports opportunity and choice for women. Our $1 billion family tax initiative recognises the cost of raising children, and it supports families. The government's tax reforms will build on this and provide more assistance to families. Since our government took office, employment has risen and unemployment has fallen—thankfully for both men and women. The unemployment rate for women of 7.2 per cent is the lowest since 1990. And what good news in the week in which International Women's Day occurred.

Our government has spent over $1 billion on child care, far more than the $875 million spent by Labor in its last year of office. Our government has retained the Affirmative Action (Equal Opportunity for Women) Act, but we have removed some of the red tape that was providing obstacles in the business community. Our Workplace Relations Act has provided increased opportunities to balance women's work and family responsibilities. Our government's sound economic management is supporting families very practically by reducing mortgage rates and providing jobs growth.

Senator Newman was able to tell this chamber just a couple of hours ago that women's unemployment continues to fall and is now at 7.1 per cent—the lowest rate for women for years and years. Women's trend employment figures have been rising consistently since June 1997, and the participation rate for working age women—aged between 15 and 64 years—is 62.9 per cent. The participation rate for women with children under the age of 15 has fluctuated around 59 per cent for the past three years, but the labour force participation rate of mothers with children under 15 had risen to 58.2 per cent in January—higher than at the same time last year and reflecting, no doubt, a greater sense of confidence in the community about returning to the work force.

I am pleased also to note in today's statistics that the number of discouraged women job seekers fell in 1998. The number of women in this group fell by 5.6 per cent, or 4,400, between 1997 and 1998. This is great news for women. Women are also doing better in higher education. Female commencements in higher education have increased by 39 per cent over the past 10 years, and in 1998—just last year—there was a 1.2 per cent increase in female students. I am very glad to say that now 55 per cent of all higher education students are women—something I am sure Senator Stott-Despoja will be very pleased to hear.

Senator Stott Despoja—Very pleased.

Senator FERRIS—Senator Mackay's motion addresses a number of issues related to women in the work force, and I will pick up on two of them. She notes that women workers are systematically discriminated against in Australian workplace agreements. I have good news for Senator Mackay. Women were included in 42 per cent of the AWAs approved by the Employment Advocate. These AWAs offer opportunities for women to negotiate employment conditions often overlooked in the past, such as develop-

ing their own roster systems and revised working hours to match school routines.

It is not that many years ago that when I applied for a job I was asked what my husband thought about my application for work that involved shiftwork. When I told the interviewer—who happened to be a man—that I had not asked my husband what he thought of it, since it was a job I was interested in getting, I was quite sure that, at that moment, I had lost any opportunity of getting that job. Advisory services established to assist women to take advantage of workplace agreements have given increased emphasis at working women's centres to advice on employment and agreements, and the advocate is required to give special consideration to the needs of women when advising on these workplace agreements.

Senator Mackay also notes that the Howard government's long-term agenda to cut wages for low income workers will see women dominating in the low paid, part-time and casual occupations. Again, I have some good news for Senator Mackay, and I am sorry she is not here to hear it. The Australian Institute of Family Studies has reported a strong preference among women with dependent children for part-time work. The study also confirmed a high level of satisfaction with working hours, especially for women not in full-time work. Those of us who in the past have had small children and have had to juggle our profession with our family responsibilities will be very grateful for these statistics that confirm what we knew anyway. So in summary the results show that, of those women working part time, 79 per cent were happy with their hours and only five per cent wanted an increase. Half of those surveyed and working full time were content with their hours and 43 per cent would have preferred fewer hours.

The Workplace Relations Act removes the arbitrary restrictions on part-time employment by requiring the Australian Industrial Relations Commission to introduce regular part-time provisions in awards. This has resulted in an opening up of working time arrangements to allow better balancing of family and work responsibilities. It also offers stability, predictability and that very much needed flexibility.

Ms Macklin has also claimed that this government has been, as she says, tough on women. Those of us who were in the work force a couple of decades ago can tell you what it was really like to be tough on women. To have to take a day off to mind a sick child often involved either no pay for the day or telling a white lie to an employer because we knew that, if we told the truth, we would not be able to have the time off at all. Those dark ages have thankfully gone. There are now opportunities for women to be able to take time off to manage their family responsibilities as they need to.

But the really good news today is that women's unemployment at 7.1 per cent is the lowest for almost 10 years. The labour force participation rate for women with children under the age of 15—those women who want to go back into the work force and use those professional qualifications that they have usually studied long and hard to get, who are now encouraged to go back into the work force and, what is more, they are doing so—is increasing. The Workplace Relations Act has removed restrictions on women's access to permanent part-time work and female dominated workplaces are now much more likely to have access to conditions which include family leave and superannuation—again, something unknown to me when I began my working life.

The shadow minister for the status of women has also claimed that women's wages need to be protected. I think Ms Macklin is clutching at straws here because the ABS statistics disprove these quite alarmist and, I think, very regrettable claims. In August 1998 women's average hourly earnings were 87.5 per cent of men's, which is an increase over the 86.3 per cent prior to the commencement of the Workplace Relations Act in December 1998. In the 12 months ending November 1998 women's ordinary time earnings rose by 4.3 per cent, compared to a four per cent increase for men. Over this period women's full-time adult total earnings, including overtime, increased by 4.2 per cent, compared to 3.9 per cent for men. The latest ABS average

weekly earnings statistics released on 4 March show women's wages rose relative to men's in the November quarter.

The government's Workplace Relations Act has enshrined the principle of equal remuneration for work of equal value without discrimination based on sex. Again I would like to put on the record experiences I had in the past where I was told by my employer that, sure, I was due for a pay rise; sure, I deserved a pay rise. But either the man next to me had just had a new baby in the family and he needed the money more than I did or alternatively my wages and my husband's would have totalled more than my boss was getting, and there was no way that he was going to give me a pay rise when those conditions existed for him. We had nobody to complain to. We just had to take it and like it or resign and try to find another job. Those were not the days when women had the opportunity to apply to a range of people. They simply had to go home and feel resentful and face that person the next day. No longer do these conditions apply. Those were the dark ages, Senator Mackay.

In August 1998 women's average hourly earnings were 87.5 per cent of men's. This is a significant increase prior to the commencement of the Workplace Relations Act. Let us not forget it. The ACTU claim of an increasing wage gap in some industries is simply not borne out by figures for average earnings across the full-time work force. For example, the average total weekly earnings of women employed full time increased and the average ordinary time wages increased. Senator Mackay is not representing a balanced view when she fails to present these facts. Women's earnings are growing at a faster rate than men's. On the employment front generally, women are doing better than men. Between January 1996 and January 1999, women's full-time employment grew by 3.6 per cent, compared with 1.6 per cent for men.

Three hundred and seventy thousand new jobs have been created since this government came to office, and I am delighted to be able to report to the Senate that around half of these, 49.3 per cent, have gone to women. Under the coalition, women have a real choice in their working lives. The Workplace Relations Act gives women the opportunity to negotiate not only wages but also flexible working conditions, the kinds of conditions that I could only dream about when I first started my job, where I was given rostered days off that were never consecutive. They were a Monday and a Friday, they were never during weekends. The people with families had weekends off—and they were usually men—when I first started work. I was the only woman in a workplace of 60 men, and I rated pretty well down the pecking order.

The 1997 report on the Workplace Relations Act showed that female dominated workplaces were now more likely than men's to offer family friendly leave arrangements. Again, women in the 1960s and 1970s never had those opportunities. Those were the dark ages for women. Those were the difficult years, when it was really hard to keep a job and manage your own family responsibilities.

We are providing more choice for families in ways that matter. Under Labor, families' average mortgage payments were $875 a month. Under the coalition, they have been reduced to an average of $333 per month. I do not know about people in this chamber, but I think it is fair to say that, in most families, it is the women who balance the budget. It is the women who had to make the cutbacks when those interest rates reached almost 20 per cent. With inflation running out of control and interest rates driving mortgage rates up month by month, it was women who bore the brunt of that. In particular, I can say that in rural Australia it was the farm women who really felt it.

Women who were working with their partners in small business, whether it was in the city or in the country, were the ones who were balancing this out-of-control economy. They were the ones who bore the brunt of it every month. They were the ones who knew about the price spiral because, every weekend when they went and shopped for their families, they watched inflation adding to the cost of their grocery bill.

Under the coalition, under our modern workplace relations arrangements, women have a real choice. Modern women these days

are able to juggle family responsibilities in their professional life safe in the knowledge that the flexibility they have negotiated in their workplace contract gives them the right to do that. There are no more white lies to the bosses when the children are sick, no more staying home to take the children for immunisation because time was not provided by the employers in the 1960s and 1970s when the doctor was available to do it.

Those were the sorts of things that women had to juggle in a way that these days seems like a distant memory. Those of us who were around then know about the dark ages. We know what it was like for women then. We know that the coalition has brought in a flexible workplace framework that will mean that women will never have to return to those sorts of conditions. They can now set their priorities with their families. They can plan their families. They have flexibility in their contracts to be able to make arrangements that give families a new priority when their mothers go to work.

Senator STOTT DESPOJA (South Australia—Deputy Leader of the Australian Democrats) (4.47 p.m.)—I speak on behalf of the Australian Democrats as their employment spokesperson to this motion moved by Senator Mackay before us today. Before I get into the substantive elements of my argument, I want to respond to some of the comments Senator Ferris has made. I think she has quite succinctly and articulately outlined some of the difficulties that women in the 1960s and 1970s faced. She talked about the Dark Ages, and it is for that very precise reason that many women in this chamber and around the community are fighting against a return to the Dark Ages.

Many of us here would acknowledge the fights, the struggles and the campaigns of our foremothers, our sisters and our mothers to alleviate some of those difficulties that women faced in the workplace as well as in the home. I for one certainly do not want to have to emulate the experiences of my mother or any other woman who had to fight for equal pay, had to deal with discrimination in the work force, had to deal with precisely many of those things that Senator Ferris outlined—take the kids to work, take a day off to look after sick kids.

There is a whole range of issues that, for many women—and I think we have to acknowledge this—are still part of their daily lives. That does happen, but there are many women too who do not want to return to those fights for basic rights like child care, reproductive freedom and a workplace that is non-discriminatory and where women's work is paid equally and valued equally to that of men's.

I also acknowledge the point that Senator Ferris made about participation rates of women in higher education. Indeed, I do applaud the increasing number of women entering our higher education institutions. In fact, they do outnumber men, but we must also recognise that women are still concentrated in those so-called feminine courses and professions, that women are still in the minority in those traditionally masculine areas of study like engineering, for example. Certainly we are seeing an increase of women in areas like medicine, but still we see women in lower numbers proportionately to men in areas of postgraduate study. We see fewer female academics in senior positions, in professorships and in a whole range of areas of study.

We must remember that the key, the pathway, to women having employment opportunities and income and, therefore, better lifestyles, better health and everything that comes with that is education. Education is one of the greatest keys to empowerment and a better, healthier lifestyle. We know that many policies like fees and charges that have hit hard at people in our community—traditionally those lower socioeconomic groups or groups that have been traditionally disadvantaged in our education sector or underrepresented—are psychological and financial disincentives to enter into and to participate in education and usually hit hardest at women.

Many policies under this coalition government have had an impact on women's participation rates in higher education, and we can see this in the applications for enrolments for mature aged women and postgraduate courses in which women seek to enrol. They are two

areas where government policies on higher education have had a measured deleterious effect on women's participation. So, yes, I take Senator Ferris's point and I rejoice in more women in educational institutions, but I also recognise that there are a number of barriers still affecting their progress in those institutions.

I commend the motion before us today. I think the importance of this motion cannot be underestimated. Again, it is timely, given International Women's Day was commemorated certainly in this place and around the nation on Monday, 8 February. The length of this motion should also give us cause for concern as it highlights many of the areas in which women still lack parity in the work force and the threats to what advances have already been made. I am not sure whether the baby's cry we have just heard is a cry of agreement or a cry of concern at the length of the motion supporting my argument.

Senator Patterson—When you are old, you will have to represent someone else.

Senator STOTT DESPOJA—I don't think I will take that interjection from my sister on the other side of the chamber.

Senator Patterson—You just have.

Senator STOTT DESPOJA—Indeed I have, but I don't have to agree with it. I want to refer to a question I asked the Minister Assisting the Prime Minister for the Status of Women, Senator Newman, in this place on Monday. The motion actually refers us to the diminution and the loss of basic working conditions for women. On Monday, I asked Senator Newman about the actions of Employment National. Remember, Employment National is a wholly government owned employment agency and one of the most prosperous employment service providers in this nation. On 26 February this year, the Australian Industrial Relations Commission handed down a new safety net for Employment National employees against which future workplace agreements would be measured. Among other losses was the abolition of paid maternity leave, one of those requirements which we thought was basic.

Unlike other government employees, female employees of Employment National will not receive 12 weeks paid maternity leave. The minister's response was that the women would still be able to have time off to give birth but they would not receive paid leave. Without wishing to accuse the minister of stating the obvious, I would suggest that, unless she or her colleagues are prepared to advocate the establishment of labour wards in Employment National offices, those employees who are pregnant do actually have to leave at some stage. It is all very well to say that they can take leave, but they will not be paid for it. The whole point is that they should be paid for it; they should receive paid maternity leave as part of their working conditions. The issue in this debate is whether that leave is paid or not, and the importance of that distinction seems to have escaped the minister.

Employment National argued that the need to be competitive in the privatised employment services market—oh, yes, another initiative of this government—meant that it should not have to provide such conditions for its work force, and it is worth noting that approximately 60 per cent of its work force are women. This is a company which only last week announced it was having increasing success in placing job seekers, with its managing director, Mr Peter Storey, citing the agency's results as 'particularly encouraging'. So Employment National does not appear to have been disadvantaged by having to provide maternity leave for its former Public Service employees. Not to date has that been a particular disadvantage. The trend towards the erosion of working conditions such as paid maternity leave must be resisted, and that is what the content of this motion before us today is about.

On Monday I actually sought a commitment from the minister that she would endeavour to protect paid maternity leave. Unfortunately, she is yet to give that commitment. Today I guess I will issue her another challenge on this matter. On Tuesday Jennie George, from the ACTU, expressed her disappointment in Employment National and stated she was considering pursuing a discrimination com-

plaint against the company. Given that the minister did not intervene on behalf of women employees in the commission hearings, which resulted in the exclusion of paid maternity from the safety net award, I would ask the minister whether she would consider intervening in any discrimination proceedings against Employment National on behalf of its female employees.

Women have fought too hard and too long for these basic conditions, as Senator Ferris pointed out, for them to be so easily discarded. As a government agency, Employment National should be setting an example. It should be leading the way in providing a woman friendly workplace, a family friendly workplace, rather than one without the support afforded other women. If the proposals put forth by Minister Peter Reith are implemented, then women in workplaces across Australia will lose many of those hard fought conditions and protections.

The motion before us today refers to the disproportionate effect these measures will have on women who, as I have already outlined and as the motion states, tend to be concentrated in part-time and casual work. Women earn too little for the work they perform as it is and, unfortunately, it looks as if this government would reduce that further. So it is very clear that some of the many challenges—challenges which have been outlined in this debate thus far, and I am sure many will be gone into further—still remain. I actually think they are being matched by new ones, which is of great concern to all in this chamber, I am sure.

The growth in such industries as information technology, communications, retail and human services has increased job opportunities for many people, especially women. They now form a substantial proportion of the Australian labour market, yet women are also hugely overrepresented in the unpaid work sector. Women continue to perform approximately 70 per cent of unpaid household work. When the long hours women continue to devote to caring, cleaning, cooking and a myriad of other activities are combined with the labour market trend towards longer paid hours, we can see that the drudgery experienced by many women at the turn of the century—not even the Dark Ages of the sixties and seventies—still continues today.

A survey taken in the mid-1990s revealed that women who were employed full time and had a partner and dependants spent, on average, 36 hours per week on household work, compared to the 14 hours performed by men employed full time. This trend towards longer hours is becoming more pronounced by the year. In February, Morgan and Banks revealed that 74 per cent of Australians worked five to 10 hours per week more than they did two years ago. Yet, despite working longer hours than men, women receive on average only 65 per cent of what men earn, with the Australian Bureau of Statistics revealing that women earn an average of $468.30 per week compared to $714.50 per week for men.

In question time today—and Senator Ferris referred to this as well—the Minister Assisting the Prime Minister for the Status of Women actually acclaimed the fall in the rate of unemployment for women. While I am happy to see that those women seeking work are more able to find it based on today's figures, this trend is matched by a largely concurrent trend in the increase in part-time work relative to full-time work in our labour market. So we must be very concerned about the fact that many of the positions being filled by women tend to be those casual and part-time positions, often referred to as the casualisation of our work force.

I note that there is some alarming gap in the figures for young people looking for full-time work—the difference between young men and young women in that 15- to 19-year-old age group is 20.9 per cent of men as opposed to 28 per cent of women. Even though we can welcome any decline in unemployment figures today, especially for young Australians, we also see there is a huge disparity in the numbers of young women versus young men looking for work.

Women are often forced to accept work which fits in with household responsibilities, which does not necessarily require overtime or travel, which enables them to pick up their children from school and which, in some cases, enables them to have dinner ready on

time because their partner is more than likely working late and unable to do those things. So there are still many constraints on women's participation in the work force.

The cost of placing a child in publicly funded child care is now estimated to be approximately $8,000 per annum, which equals the rent for a two-bedroom house in many parts of Australia. These are still huge figures, huge costs and huge outlays. Certainly, Senator Ferris referred to the amount of money being spent on child care but still many women are going without these services.

Picking up Senator Ferris's point in relation to education opportunities for women, I should note that this government today introduced a piece of legislation that would basically see an emasculation of the services provided to students in the form of their student organisations, and one of those services is subsidised child care, affordable child care, for parents—not just women—at universities. Again, it is further evidence of this government's policies that are compounding the negative situation many women find themselves in and restricting their access not only to the work force but also to education, which is an obvious pathway into entering the work force.

In April last year, the government announced the withdrawal of operating subsidies from before and after school care, despite the fact that 40 per cent of women who are not in the work force cited lack of child care as the primary impediment to working. So many of these barriers still remain. The nature of much part-time work is low paid, low skilled and insecure. Perhaps if this government had that great commitment to providing child care that has been alluded to by a previous speaker and if it really cared about not only providing child care but also reducing overemployment, women would have real choices when looking for work. Perhaps then we would be able to see women pursuing long-term career objectives in the way that, unfortunately, many men still take for granted.

I do not want to live in a society where women do not enjoy equal rights or equal opportunities. While I acknowledge the important points that Senator Ferris put on record about some of the difficulties and the barriers that she and other women have faced over the years and in particular two decades ago—but I suggest for many centuries—I do not think it is appropriate for us to say that the dark ages are behind us and that we are now into some sort of utopian existence, that we should not complain and we should not whinge because things are much better. I do not think women should have to put up with that. If the circumstances today are still bad and if we are still seeing government policies that have a deleterious effect on women's working rights and women's opportunities, then we should complain about it.

It is particularly timely and only correct that we should complain just after this year's International Women's Day. I want to see us approaching a new century with a vision of attaining equality before the sexes—not just before the law. I want to see, as a part of these constitutional changes we are about to embark upon, that we recognise the worth, the status and the contribution of women and Australia's women. I want to see that we are doing so in such a way that says we are not prepared to settle for second best. We are not prepared to say, 'The dark ages are behind us, and this is good enough,' because this is not as good as it gets for women—not when we are experiencing, I believe, a backlash not only in the employment arena but also through all sectors of society.

This is not about women being complacent or whingeing; it is about women asserting their right to equal opportunities, wherever they may be in Australian life. I suspect that perhaps we should be starting with our representative institutions. But to believe that women's rights are not somehow under threat or that we have achieved some ideal situation or equality, especially for women in the workplace today, is very naive at best; it is contemptible at worst.

Senator JACINTA COLLINS (Victoria) (5.04 p.m.)—Previous speakers have referred to the timeliness of this motion due to it being the week of International Women's Day. I would like to refer to a number of other factors relevant to this motion which

focuses predominantly on the issue of the gender wage gap. I will come back to why I think that focus is very important and timely today. Other relevant factors to today's debate that are also mentioned in the motion are the discussion of Minister Reith's further plans for industrial relations reform and the discussion that has concerned us in recent times on the issue of youth wages and discrimination in youth wages.

The fourth relevant issue to this debate is a conference that I will be addressing on the weekend which puts this sort of debate into a very interesting perspective. This weekend is the women's conference of an international organisation I have participated in for many years of those unions representing workers in the commercial, clerical, professional and technical areas. They have chosen this year to have their international conference, which is a four-yearly conference, in Australia.

The timeliness of that conference and this motion is the spotlight being on Australia and the industrial reforms which have occurred here to date. The women's conference will be focusing on the impact of those reforms on women, and can I say this international organisation probably represents the largest number of women workers of any international organisation. That is why it is particularly sad that the analysis of where we sit now on the gender wage gap is showing what it is. It caused me to reflect on what our current arrangement is actually doing in terms of policy objectives to deal with the continuing gap between men's and women's wages.

The only comprehensive analysis we have of recent relevance is that which was conducted under the New South Wales pay equity report. Consistent with many international findings, it found that a regulated industrial relations system was more likely to be able to deal with the gap between men's and women's wages. That was the history behind what brought us to the point in time towards the end of the last Labor government where we got that gap to its narrowest.

What concerns me is the approach taken by one of our previous speakers—and it seems it was partly adopted by Senator Stott Despoja inadvertently—to start asking questions like, 'Is this as good as it gets for women? Is the current situation as good as it gets?' The unfortunate factor is that, if we continue down this path of further deregulation, particularly without any other alternative policy instruments, then yes, it may well be. Minister Reith today in his approach in relation to junior rates put the position to us here that youth discrimination is something that should continue. What he is saying in terms of the path he is taking in other industrial reforms is that discrimination with respect to women's wages should continue.

Even if you take the very generous position that there are other reasons—such as the macro-economic factors to which Senator Ferris referred—why we should allow further deregulation in relation to industrial relations? The question begging is: what else is the minister doing to narrow the gap between men's and women's wages? The market is certainly not going to do that. International experience, the New South Wales report—every indicator shows that further deregulation is going to prevent any further narrowing of the gap between men's and women's wages.

I searched for any sign of how the government believed pay equity should be dealt with in this current regime. I found one article—just one—which was a sign of what the government thought should be done. Unfortunately, it is a pity that the current minister is not here to participate in this debate, because the only comment I could find was from Mrs Moylan, who was the minister at the time. It indicated her approach and her joining with the Sex Discrimination Commissioner, Moira Scollay, in launching the equal pay handbook. The approach in the handbook was to hopefully educate employers that the sorts of biases that Senator Ferris was referring to are not relevant in this modern age.

The only other indicator that Mrs Moylan gave about a government position was in this article where she said that the government aimed to stem the rise in casual employment which she said had occurred under the previous government by removing restrictions on the availability of part-time work. If the only policy instrument that this government had to

deal with the gap between men's and women's wages was to try to stem the alarming growth of casualisation in Australia, then the government has dismally failed. The growth in casualisation within our work force, which is the second highest to Spain in the world, is getting worse. In the last two years it has grown a further two percentage points. That particular measure, for what it is worth, is not working. It is obvious by the figures that have been identified recently, which Senator Mackay went in part to, that it is getting worse.

Senator Ferris can share with us the experiences that she had in the work force in the 1960s and the 1970s, and I could take the time to share with you experiences that I have had in the work force in the 1970s, 1980s and 1990s, but the point is that across party lines we should not be saying, 'This is as good as it gets for women.' I was surprised to hear Senator Stott Despoja simply adopt the phrase rather than reflect its meaning, but we cannot take the approach that this is as good as it gets'.

We should also not be pretending, in the way Senator Ferris seems to be, that cliches about opportunities, choice and flexibility in the new deregulated system are working to women's advantage. I would challenge any of the government senators participating in this debate to show that those flexibilities are actually working to women's advantage. Senator Stott Despoja showed the best of the current examples on this score. Apart from anecdotal evidence, any other material in this area is very scarce. But Employment National is the classic example. How on earth can you say to a pregnant woman who previously would have been entitled to 12 weeks paid leave that she now has choice when the Australian Industrial Relations Commission determined in a decision—not this worker's choice but in a commission decision—to remove that entitlement? How can you say to that woman that she now has a choice in this wonderful, flexible regime? How can the current minister pretend that she has a choice in suggesting she can take leave when previously she had an entitlement to 12 weeks paid leave?

I would challenge government senators to stop pretending with phrases such as 'flexibility', 'opportunity' and 'choice' and start addressing facts. The facts before us in this particular debate are that in those sectors of the work force where women predominate the gender wage gap is getting bigger. They are the facts. No statistics or stories about interest rates or stories about other economic factors can shield you from the facts. One of the major indicators of equity for women employees, the gender wage gap, is getting worse in those sectors in the Australian work force where women predominate. I take pride that one of the sectors where things have not yet got worse but have stalled is the retail sector. I hope that the retail industry is able to continue the fight of maintaining women's position in that sector.

But women in hospitality face a very different situation. Senator Mackay referred to the statistics in hospitality, but I will go back to them because they are the most alarming. Anecdotally, anybody would know the number of women who work part time or casually in the hospitality industry and who rely upon their earnings there. But Senator Ferris seemed to suggest that these statistics did not have great standing and that what she had presented in terms of overall data was more significant. Unfortunately, the statistics that the ACTU had been referring to were ABS data as well, but it was ABS data broken up into those sectors where the women predominate in the work force.

Looking at hospitality, in 1996, when addressing the average weekly adult full-time ordinary time earnings, there was a drop of roughly four per cent, and the gap was the difference between 93.9 per cent and 89.7 per cent. Women went back four per cent in their wages in hospitality. Looking at average weekly total earnings, there is a bigger gap. But I am not going to go down that path because, once you start looking at some of these other figures, you have to differentiate out the fact that more women work part time, women are less inclined to work overtime and several of those other factors.

The benchmark figure on women's wages—eliminating all the other factors which might

be taken into account with women doing more part-time work and less overtime, and several other variants—is the average weekly adult full-time ordinary time earnings. That is the benchmark figure; that is the figure that takes account of the fact that there are all sorts of other variables that apply to women's employment. That benchmark figure for hospitality has women going back by four per cent.

For retail, the position between 1996 and 1998 was 87.1 per cent to 87.3 per cent; very little change. Senator Herron referred to medicine. Yes, he is correct, there has been a slight increase in the position of women there. But let us look at what it was.

Senator Herron—A big increase.

Senator JACINTA COLLINS—I am referring to ABS data across the health industry as a whole, Senator.

Senator Herron—This is a medical workman's document.

Senator JACINTA COLLINS—Unfortunately, this debate applies to women workers across all industries. As much as I would love to talk, on some future occasion, about the issue of women in medicine, I think we will try to be a bit more general.

Looking at the health industry as a whole, women were at 74.9 per cent and they are now at 76.6 per cent. But remember that these figures are average weekly adult full-time ordinary time workers. So you have a woman working full time with no overtime on the average weekly wage compared with a man, and it is 75 per cent. That simply is not good enough. We cannot stay in that position, with 'this is as good as it gets'.

But the area of concern, apart from hospitality, is education. Senator Ferris referred to the participation rate in education, but let us look at what is happening in the industry. Again women go backwards by two per cent: 89.5 per cent back to 87.5 per cent. Another area in which they go backwards is property and business services, a new emerging, developing sector for women. They have gone backwards by roughly two per cent also. This cannot be as good as it gets.

Women within a government who, for other reasons, are prepared to accept a deregulatory policy have to accept that they cannot just allow the gap between men's and women's wages to be eroded; that they need to do more than contribute from time to time to a debate like this with cliches such as 'this new system gives women flexibility'. The reality—and the reality that the government never acknowledged right from the commencement of the debate on the Workplace Relations Bill—is that the bargaining position of workers, and particularly women workers, is usually very different from that of their employer.

It is one thing for Senator Ferris to say that, when she was in the work force in the 1960s and the 1970s, her boss said to her, 'Have you asked your husband whether you can work shiftwork?' The reality is that today, in the retail industry for instance, the boss says, 'This is the job; you will work for me on Monday, Wednesday and Friday between six and eight, or I'll find someone else to do it.' What choice is that? Where is the choice? For many women workers, usually in relatively low paid positions, in an employment market with plenty of other people who are prepared to enter into those positions, the reality is that they do not have choice.

The importance of this debate is that this is one of the first occasions on which we have good indicators that the flexibilities are not working to women's advantage. The ABS data broken up into the sectors where women predominate is telling us that this brave new world, Senator Ferris's modern world, is generating an environment where women's pay is going backwards; where the gap between what is paid to women and what is paid to men is increasing.

The government's response to that to date is more of the brave new world. On the last occasion when I dealt with Mr Reith's round of proposals, I suggested—and I was quite serious at the time—that some of those proposals amounted to not much less than slavery. To suggest that employers could deal with whether you should continue eligibility for social security payments is preposterous. It is suggesting that your employer has control over your access to the necessities of life.

In our brave new world, there are social security payments, but he is suggesting payments connected to Work for the Dole whereby your employer could, under his proposals, be in private enterprise and report and determine whether you should continue receiving such payments. That is absolutely preposterous.

I cannot understand how there has not been more comment from members of the coalition on these proposals. They can certainly respond to issues such as concerns over accelerated depreciation, as indeed Senator Crane did. But why do we not hear comments from women, for instance, concerned that one of our most basic indicators is going backwards, particularly when we have a major and significant international conference with women from all around the world—the spotlight is on Australia—and pay equity, the gender pay gap in Australia, is going backwards? I suggest to members of the government who are interested in participating in this sort of debate that we hear more than just cliches about women now having opportunities and women now having choices. The current regime is not working. The data from the ABS on equal pay shows it, and this certainly cannot be as good as it gets for women.

Senator PATTERSON (Victoria—Parliamentary Secretary to the Minister for Immigration and Multicultural Affairs) (5.24 p.m.)—I was just speaking to my staffer because I could not believe what I was hearing. I thought maybe I missed something, but I have not. I will refer to that later on. We might all be here under the pretext of debating a substantive motion from Senator Mackay, but I would like to make one thing clear: we are not here to substantively debate the challenges and choices facing women in the work force. We are not here to discuss new ways to combat unemployment. We are most definitely not here to discuss Labor Party policy on how they would combat unemployment because they do not have a policy on how they would combat unemployment. I think we are here today to bear witness to what I would see as a rather pathetic attempt by a union has-been who has tried to prove the relevance of the Labor Party to working women.

Senator Mackay is but one of a legion of superannuated union workers in this place that the Labor Party engineer into the Senate once they have passed their use-by date or they are sick of working for the union or whatever—I don't know, but there seems to be a predominance of them over the other side. I think what has prompted this debate today is that this former industrial officer in the Public Sector Union has been rung up by the panicking mandarins of the union movement who have asked her to try to rustle up something which will stop the continuous slide in female union membership.

If unions were really doing what they claim they are doing for women and if the Labor Party had done what it claims it has done for women, then you would not see the slide from union membership that we have seen. For the record, union membership has plunged from 34.8 per cent of female employees in 1992 to only 25 per cent of female employees in 1998. That is what women think about the union movement. That is how relevant the union movement is to women. That is how relevant the union movement has been in making gains for women. The irrelevance of Labor to women workers has never been more apparent. Women are leaving the union movement in droves. Only 25 per cent of female employees are now in the union movement. They are voting with their feet. The best that the Labor women on the other side can do is to come up with this motion, which is high in rhetoric and very short on facts. Their debate was very short on facts. In fact their facts were incorrect. I should not call them facts; what they were saying was incorrect.

If they think this exercise will somehow restore the Labor Party's credibility with women workers, they had better think again. They ought to be hoping that Mr Beazley's vision statement will contain better than this and leave behind the very cynical attitude that the Labor Party have to women. I will give one example from the policy they took to the last election. Jenny Macklin promised to increase the wages of age care nurses, who

are mostly female, as part of the 1998 election platform. But there was one thing missing in that: it was not funded. There was no money there to meet that promise, so it was an empty promise, like the l-a-w tax cuts. If they had got into government that would have been one of the first things to go. They have now jettisoned a whole lot of their policies, but that would have been one of the first things to go. They were making hollow promises to women that they could not back up with money, unless they were going to borrow $10 billion more and dig another Beazley black hole. So Labor's record with women is broken promises, rubbery figures, rubbery quotas and a lot of hot air not backed up by an ability to say that they can actually fund the promises.

On the other hand, the coalition has made real and genuine changes to help women in the work force balance their responsibilities and make the choices they want to make. We are providing more choice for women in ways that really matter—370,000 new jobs have been created since this government came to power and over half of these have gone to women. The Workplace Relations Act gives women the opportunity to negotiate not only wages but also flexible working conditions. That is one of the things people have said they want. Women have said that they want flexible working conditions. We have spent over $1 billion a year on child care, which is much more than the $875 million spent by Labor in their last year of office, despite the fact that they repeat over and over again that we have reduced funding to child care in the belief that if they say it often enough the public will believe it. We will keep repeating to them and to the public that we have increased child-care funding.

We have also spent $1 billion on family tax initiatives which recognise the cost of raising children and supporting families. Senator Ferris pointed out that under Labor families' average mortgage payments were $875 per month. Under the coalition, they were reduced to $333 a month. Senator Ferris pointed out that it was women in the main who were the ones to notice this as many of them are the budget keepers of their families. They were the ones who noticed that prices in the supermarkets were not spiralling out of control with inflation as they were under Labor. So they have seen their mortgages go down and inflation go down, and they notice that very much in their bills at the end of each week.

The coalition has a minister dedicated to canvassing every possible option for reducing unemployment. We know that the best prospects for women come from a comprehensive approach to tackling unemployment. Labor has a frontbench that is caught up in leadership positioning and public brawls. Labor has a spokesman more concerned with scoring points than creating jobs. We have the third way and Beazley's way, whatever that is, and Crean's way and Brereton's way and Tanner's way and Latham's way. I could go on and on. We could soon have a few senators generating a few books and creating their way as well. The issue of wages and equal remuneration is an important one and one that deserves better treatment than it has had so far in this debate.

I do not know where Senator Mackay was in question time today or where the previous Labor speaker was in question time today when Senator Newman canvassed the issue of the wage gap. The figures released by Senator Newman today are encouraging and bear repeating. The February labour force data showed that women's average weekly ordinary time earnings are now 83.9 per cent of men's, the highest figure since 1994. Senator Mackay's assertion in her motion that the gender gap is growing steadily is wrong, and it was repeated by the previous speaker. It is incorrect, it is wrong and it is scaremongering.

I do not know whether the people on the other side or Senator Mackay think that women are so stupid they will believe anything they hear, but the fact is that the wage gap is shrinking. This is what the February labour figures show. The government does not take this as an excuse to rest on our laurels, but it is pleasing to see that the February labour force figures show a continuing decline in the women's unemployment rate and in the difference in payment between men and women.

The other thing we need to look at is that the Workplace Relations Act has done a lot to assist women. In the not too distant past the industrial relations system reflected union monopoly and centralised awards and actively excluded women from paid employment opportunities, most significantly by banning or limiting their opportunities for part-time employment.

A study recently undertaken by the Australian Institute for Family Studies reported a very strong preference among women with dependent children for part-time work. Of those working part time, 79 per cent were happy with their hours with only five per cent wanting to increase them. Whilst 50 per cent of those working full time preferred to work the same hours, 43 per cent wished to work fewer hours. Overall, the study clearly found a significantly higher level of satisfaction with the hours worked by this group of employees, particularly those working in arrangements which deviated from full-time employment.

The preference for part-time employment has been a significant contributor to the casualisation of the work force. In the past many women have been forced to seek casual work in order to get part-time hours as relatively few industrial awards provided for regular part-time employment. This is why women have left the union movement. What they were saying was, 'We want to be able to work part time.' The only way they could do that was to take casual employment and not get the benefits of sick leave, not get the benefits of superannuation and not get the benefits of holiday pay. That is why they left. The union movement failed them.

Through the Workplace Relations Act, the government has taken action to remove arbitrary restrictions on part-time employment by requiring the Australian Industrial Relations Commission, where appropriate, to introduce regular part-time work provisions in awards and by prohibiting arbitrary quotas. This is having the effect of opening up working time arrangements which are regular and better adapted to balancing work and family responsibilities.

Regular part-time employment is both stable and predictable and provides for pro rata entitlements such as annual leave and sick leave. The extension of regular part-time work also means that women have better access to career paths and job security. They are the issues that women are on about. They want to work part time, but they want to ensure a career path and they want to ensure that they can also access the benefits that people have in full-time work—that is, they want the pro rata sick leave, annual leave and pro rata for other benefits.

The Labor Party's role with other opposition parties has been to overturn the unfair dismissal regulations. That has affected women. Many small businessmen and businesswomen have said to me that they are not going to employ more people if they are subjected to the unfair dismissal rule, and many of the people who are being denied jobs there are women. By overturning the unfair dismissal regulation, what have the opposition parties done? They have reduced employment opportunities for both men and women, but it particularly affects women. By throwing out the youth wages as well, what they have done and what will occur will be a reduction in employment, especially the employment of young women.

I would like to address a couple of the comments made by Senator Stott Despoja. It frustrates me to hear Senator Stott Despoja, the Democrat spokesperson on employment, enthusiastically endorsing more and more regulation of employers in a misguided attempt to improve the lot of women. There is a point at which employers will say, 'Enough is enough.' The Democrats want to increase taxes all the time. Employers will say, 'If you increase my taxes and you increase the regulations, I will go somewhere else. I will take my money and I will invest it somewhere else where it is easier to invest and to employ people.' All of us agree that women are hurt harder by unemployment than men, particularly single women and lone mothers. Therefore, I would think that the Australian Democrats, with their claimed sensitivity to women, would be cautious about stifling employment growth.

But it appears that the Democrats are going hand in hand down Labor's job-killing path.

The best protection for women's job security is low unemployment. The best way to increase wages is to generate demand for labour. Government over-regulation, like job-killing unfair dismissal laws, merely helps to keep unemployment high and thwarts all the things we say that we want to do for women. That is why the coalition wants to change them. Why the Democrats will not join us is a mystery to me. They continue to vote with the Labor Party in overturning unfair dismissal regulations and youth wages. All those things are going to affect women in particular.

Labor really has not learnt much from two election defeats. This exercise by Senator Mackay will do nothing to bring women back to Labor or to the union movement. I am sure that she pleased her union friends by bringing forward this debate, but it will not have contributed anything to the real debate about what we can do to improve the lives of women.

Labor's job-strangling regulations have cost Australian women dearly by increasing unemployment and stifling job creation. If the Labor Party really cared about women, it would support this government's plans to create jobs and fight unemployment and to give women the flexibility they need and which they are asking for. We have indicated how women have said they want flexibility in their work force. They would support our tax package, which will put more money back into ordinary women's pockets. Labor has already committed to doing that; that is what it would do. Hopefully, with the amounts we heard about yesterday, we may see Labor coming somewhat to its senses.

It us up to Labor. It can stay on the sidelines debating the semantics of what it means to be a feminist, as Senator Mackay did in her contribution, or it can participate in making real changes that will make a real difference to women in Australia.

Senator GIBBS (Queensland) (5.39 p.m.)—I rise to support Senator Mackay's motion, which relates to declining conditions for working women. The Howard government's industrial relations agenda has already had a particularly damaging impact on Australian women in the work force. The government's long-term agenda to cut wages for low income earners will be particularly detrimental for working women, who have traditionally dominated low paid, part-time and casual occupations.

This government's attempts to undermine the award system and introduce Australian workplace agreements will have a disastrous effect on women's wages. The award system and centralised wage fixing mechanisms have been highly beneficial for women. Equal pay test cases won by the ACTU in the late 1960s and early 1970s entrenched concepts of equality within the award system in Australia. In 1972, the principle of equal pay for work of equal value was won. This principle was gradually extended through all awards from 1972 onwards and resulted in the abolition of separate female and male rates in awards. Between 1972 and 1977, the gender gap—the difference between male and female wages—was reduced by 19 per cent.

As a result of these advances, award rates of pay are relatively free of overt discrimination. Thus, the gender gap is the narrowest when comparing award rates of pay. According to a recent ACTU paper called 'Equal Pay: A Union Priority', the Australian award system is critical to the achievement of equal pay for women. Statistics compiled by the ACTU indicate that, in May 1996, women earned 91.6 per cent of men's rates when comparing award rates of full-time non-managerial adults. When we compare this figure with comparative rates in a deregulated industrial relations environment, the advantages of the award system for women are readily apparent.

AWAs are a significant step backwards in the battle to reduce the gender gap. Whenever employers have unlimited discretion over pay rates, aspects of institutionalised discrimination result in demonstrably lower rates of pay for women. This can be clearly seen in the context of Western Australia's industrial relations arrangements. WA has the most unregulated wage fixing system in Australia. As a result, women in WA are the worst paid group of workers in the country. The ACTU paper states:

Western Australian women earn an average of $434.60 a week before tax, which is $300 a week less than West Australian men. In that State women working in the predominantly female industry of retail trade are the lowest paid, earning on average $310.80 a week.

These figures are a far cry from the 91 per cent of men's pay secured by women under the award system.

The position of women workers compared to their male colleagues is declining rapidly under the deregulated labour market, which has been characterised by the emergence of AWAs. Men continue to be valued more highly by employers, and this discrimination has manifested itself in lower wages for women under AWAs. The ACTU paper highlights the fact that 'women earn only 48.2 per cent of male over-award payments'. Statistics like these clearly indicate that women are still struggling against the 'glass ceiling' imposed by institutionalised discrimination within Australian society. The ACTU paper also points out:

During the Accord the gender gap continued to narrow through a variety of mechanisms such as flat rate wage increases, supplementary payments and the MRA process.

However, these advances are already being negated in the deregulated labour environment introduced by this government. ACTU statistics state:

Between 1996 and 1998 there is evidence of the gender gap stalling in Retail and Manufacturing and increasing in the gender gap between male and female full-time workers in Education, Property, and Business Services, and most remarkably in Hospitality.

Clearly, the expansion of this government's deregulatory approach would have drastic implications for women, who are already experiencing diminished bargaining power in the workplace. The proposed abolition of the no disadvantage test for AWAs and the proposed exemption from award provisions for small business would be particularly disastrous for women.

The report of the New South Wales pay equity inquiry carried out by Justice Glynn of the New South Wales IRC acknowledged that institutionalised discrimination is still a huge hurdle for women in the work force. The report identified several key factors contributing to the continued undervaluation of women's work. 'Gendered assumptions in work value assessment', 'occupational segregation' and 'a number of other factors to do with the poor bargaining position of female dominated occupations and industries' were highlighted by the inquiry's report, which was released in December 1998. The report clearly demonstrates that the poor bargaining position of female employees means that they would be significantly better served by a centralised and regulated approach to industrial relations. This government's deregulated approach to industrial relations arrangements is working in direct opposition to the needs of Australian women.

The coalition government's attempts to undermine unionism in Australia are also contrary to the interests of working women. Unionism has been a means by which Australian women have been able to strengthen their bargaining position with employers. A comparison of the average wages of union and non-union female workers highlights how the poor bargaining position of women in a deregulated environment can affect wages. According to ACTU statistics:

Women union members earn on average $543 a week compared to women non-union members who earn $436.

Unionised women therefore earn almost 25 per cent more than their non-union counterparts. This figure increases to 27 per cent when part-time rates are compared. Clearly, the poor bargaining position of women employees means they are bound to suffer in a more decentralised and deregulated labour market. This government has sought to crush the unions, who have traditionally defended equity in women's wages. With a decentralised system and less union support, the gender gap will eventually revert to the way it was back in the early 1960s. This government needs to stop bashing the unions and removing the barriers to discrimination instituted by previous Labor governments if Australian women are ever to experience real pay equity.

Statistics from a wide range of sources reflect the reality that women workers still have not achieved equal remuneration in

Australia. It is of particular concern to me that we are now in danger of seeing an increase in the gender gap, which was steadily declining under the industrial relations regime of the previous Labor government. Bureau of Statistics figures indicate that average female weekly earnings still lag $127 a week behind those of men.

A recent study by Dr Deborah Cobb-Clark at the Australian National University's Centre for Economic Policy Research found women were less likely to be promoted within their organisation and often had to look elsewhere to have their skills recognised. The study highlighted several other factors indicative of the institutional and traditional discrimination suffered by women in the workplace. It revealed that employers saw small children as a career barrier for women but not for men. This is despite the increased incidence of men acting as the primary carers of small children. The study also showed that in Australia women make up only 12 per cent of senior management and 7.6 per cent of company boards. Australia still has a long way to go if women are ever to experience true equality in the work force.

The institution of a highly deregulated industrial relations environment will only serve to further exacerbate sexual discrimination in workplaces across the country. The persistent existence of rampant inequality is perhaps best illustrated by the incidence of sexual harassment still being reported by working women. A recent report prepared for Sex Discrimination Commissioner Susan Halliday revealed that the working conditions of Australian women are still being significantly affected by various forms of gross behaviour by male co-workers and employers.

The report detailed 28 case studies of women workers who had been subjected to unwanted physical contact, including being grabbed on the arms, breasts and buttocks. Others had been exposed to pornography in the workplace, had suffered from unwanted sexual advances and had been subjected to questioning about their virginity and sex life. Disturbingly, the study also revealed that women were being asked to have sex with male colleagues or to sleep with customers, which they understandably found humiliating.

In a recent interview, the commissioner said that such problems were particularly bad among lower paid women who had little power. Clearly, working conditions as well as wages are still being adversely affected by the poor bargaining position of women working in Australia. As wages decline further as a result of the AWA process there is a grave danger that the incidence of such behaviour will increase as women's roles are devalued even more. The commissioner also claimed that some women said they had been sacked after complaining about sexual harassment. If the government continues with its agenda to further deregulate the industrial relations environment many of these women will be disempowered even further.

The widespread nature of sexual harassment is demonstrated by a breakdown of the sectors from which complaints originated. In the interview, the commissioner stated that a recent breakdown of complaints before the commission revealed that 22 were from large businesses employing more than 100 people, 36 were from federal departments and agencies, and 87 were from small business. Sexual harassment is, therefore, affecting working conditions for women from a variety of backgrounds.

The bargaining position of female employees is obviously being eroded by the institutionalised attitudes that the award system sought to overcome. Wage equality cannot be achieved under AWAs because of the persistent attitudes of some male employers who continue to objectify their female employees and consequently devalue their contribution to overall productivity. Unionism, awards and accords are the only effective means of arresting declining working conditions for Australian women. I therefore support the motion put forward by Senator Mackay because this government's deregulated, decentralised industrial relations agenda will only serve to exacerbate the inequality of wages and conditions experienced by working women.

Debate (on motion by **Senator Coonan**) adjourned.

UNFAIR DISMISSALS LEGISLATION

Senator MURRAY (Western Australia) (5.54 p.m.)—by leave—I thank both sides of the Senate and the chair for this courtesy. Because of time considerations, I seek leave to interrupt the debate and simply table a letter from myself to the Minister for Employment, Workplace Relations and Small Business which has been referred to in an urgency debate in the other House.

Leave granted.

WOMEN IN THE WORK FORCE

Debate resumed.

Senator COONAN (New South Wales) (5.55 p.m.)—I am absolutely astounded that this motion by Senator Mackay has actually been pressed and brought on for debate today—a day that really ought to be one for celebration by women, a day when, as other speakers have pointed out, women's unemployment not only continues to fall but is now down to 7.1 per cent. That is the lowest rate in almost a decade. That spans the time of the Keating government and a great slab of the Hawke government. It is a great triumph for this government that, with sound economic policies, with getting the settings right, it has been able to do something constructive. I find it extraordinary, and can only think that those who have supported the motion just cannot have been aware of the unemployment figures that came out today.

Women's trend employment figures have been rising consistently since June 1997, and the participation rate for working women of all ages—that is, from 15 to 64—is now 62.9 per cent. That is an indisputable fact, and it just does not seem to have achieved the prominence that it deserves in all of the mishmash of assumptions and rolled up conclusions that are simply not supported by the evidence that has been brought forward today. I would have thought that the lowest unemployment figures for nearly a generation would have been the focal point of the debate. Very little has been advanced that can really trump that figure. In fact, nothing has been advanced that has seen such a significant gain for women than the employment figures that were released today.

Other speakers have talked about facts and figures about work force participation, wage equality, maternity leave and other indicators, which also indicate the commitment of this government to the cause of women and employment. But the structural changes under the Workplace Relations Act have actually recognised the different work characteristics that often differentiate the work cycles of men and women and are proving to be of enduring benefit to women in the work force. The 'one size fits all' approach to awards simply does not suit all women workers.

It is hardly surprising that what women want—and what the surveys that have been quoted today by Senator Ferris and Senator Patterson indicate that women most want and value—in their work life is flexibility. That is what they need—and, indeed, what men need. This is a very strange debate, with all women participants, I must say. What both men and women need are public policies that enable them to move between the worlds of work and family and that recognise that different demands are made on people at different stages of their life cycle. That ought not to be something that has to be handed down on tablets of stone before we grasp it. It is pretty obvious that, when women are of childbearing age and when they have small children, they need to be able to have flexible work arrangements whereby they can take time out to be with their kids and that, as one's parents age and you get other commitments as a carer, perhaps you need also to take into account those kinds of commitments. Having family-friendly workplaces is something that underpins the structural changes in the Workplace Relations Act.

It is very difficult to treat with any credibility at all the motion that has been brought forward today. It is hard to give any credence at all to Labor and the Democrats, who have had three basic tests in the last few weeks. They could have had 50,000 more jobs if they had voted in favour of letting the unfair dismissal regulation go unrepealed. They could have helped young people to the tune of 230,000 jobs if the jobs of the young were properly protected with youth wages. And if they were really fair dinkum, they would

finally pass the tax package. That would be three things that mean that there was true commitment to the cause of the unemployed in this country.

The ACTING DEPUTY PRESIDENT (Senator Knowles)—The time allotted for the consideration of general business notices of motion having expired, the Senate will proceed to the consideration of government documents.

DOCUMENTS

Consideration

The following orders of the day relating to government documents were considered:

Family Law Council—Report—Parental child abduction, January 1998. Motion of Senator Bartlett to take note of document agreed to.

Family Law Council—Report—Child contact orders: Enforcement and penalties, June 1998. Motion of Senator Bartlett to take note of document agreed to.

Wool International—Report for 1997-98. Motion of Senator Sandy Macdonald to take note of document agreed to.

Australian National Training Authority—Australia's vocational education and training system—Report for 1997—Volumes 1, 2 and 3. Motion of Senator Hogg to take note of document agreed to.

Social Security Appeals Tribunal—Report for 1997-98. Motion of Senator Bartlett to take note of document agreed to.

Australian Institute of Aboriginal and Torres Strait Islander Studies—Report for 1997-98. Motion of Senator Hogg to take note of document agreed to.

Australian Wool Research and Promotion Organisation—Report for 1997-98. Motion of Senator Conroy to take note of document agreed to.

Veterans' Review Board—Report for 1997-98. Motion of Senator Bartlett to take note of document agreed to.

Australian War Memorial—Report for 1997-98. Motion of Senator O'Chee to take note of document agreed to.

Australian Institute of Health and Welfare—Report for 1997-98. Motion of Senator West to take note of document agreed to.

Australia New Zealand Food Authority—Report for 1997-98. Motion of Senator Conroy to take note of document agreed to.

Repatriation Commission, Department of Veterans' Affairs and the National Treatment Monitoring Committee—Reports for 1997-98, including reports pursuant to the *Defence Service Homes Act 1918* and the *War Graves Act 1980*. Motion of Senator Hogg to take note of document agreed to.

Public Service and Merit Protection Commission and Merit Protection and Review Agency—Reports for 1997-98. Motion of Senator West to take note of document agreed to.

Department of Primary Industries and Energy—Report for 1997-98. Motion of Senator West to take note of document agreed to.

Affirmative Action Agency—Report for 1 June 1997 to 31 May 1998. Motion of Senator Crossin to take note of document agreed to.

Australian Industrial Relations Commission and Australian Industrial Registry—Reports for 1997-98. Motion of Senator Hogg to take note of document agreed to.

National Science and Technology Centre (Questacon)—Report for 1997-98. Motion of Senator Hogg to take note of document agreed to.

National Occupational Health and Safety Commission—Report for 1997-98. Motion of Senator Bartlett to take note of document agreed to.

Immigration Review Tribunal—Report for 1997-98. Motion of Senator Bartlett to take note of document agreed to.

Department of Foreign Affairs and Trade—Report for 1997-98. Motion of Senator Hogg to take note of document agreed to.

Australian Sports Drug Agency—Report for 1997-98. Motion of Senator West to take note of document agreed to.

Comcare Australia, Safety, Rehabilitation and Compensation Commission and QWL Corporation Pty Limited—Reports for 1997-98, including reports pursuant to the *Occupational Health and Safety (Commonwealth Employment) Act 1991*. Motion of Senator Hogg to take note of document agreed to.

Department of Health and Family Services—Report for 1997-98, including reports on the administration and operation of the Commonwealth Rehabilitation Service and the Therapeutic Goods Administration. Motion of Senator Hogg to take note of document agreed to.

Royal Australian Navy Relief Trust Fund—Report for the period 1 January 1997 to 30 June 1998. Motion of Senator Hogg to take note of document agreed to.

Department of Immigration and Multicultural Affairs—Report for 1997-98, including reports

pursuant to the *Immigration (Education) Act 1971* and the *Australian Citizenship Act 1948*. Motion of Senator Bartlett to take note of document agreed to.

Health Services Australia Ltd (HSA)—Report for 1997-98. Motion of Senator West to take note of document agreed to.

Insurance and Superannuation Commission—Report for 1997-98 (Final report). Motion of Senator Hogg to take note of document agreed to.

Employment Advocate—Report for 1997-98. Motion of Senator Hogg to take note of document agreed to.

Department of Workplace Relations and Small Business—Report for 1997-98, including a report pursuant to the *Workplace Relations Act 1996*. Motion of Senator Hogg to take note of document agreed to.

Agreement-making under the Workplace Relations Act—Report for 1997 and update: January to June 1998. Motion of Senator Hogg to take note of document agreed to.

Human Rights and Equal Opportunity Commission—Report for 1997-98. Motion of Senator Hogg to take note of document agreed to.

Privacy Commissioner—Report for 1997-98 on the operation of the Act. Motion of Senator Cooney to take note of document agreed to.

Human Rights and Equal Opportunity Commission—Report—Article 18: Freedom of religion and belief, July 1998. Motion of Senator Stott Despoja to take note of document agreed to.

Dairy Research and Development Corporation—Report for 1997-98. Motion of Senator Forshaw to take note of document agreed to.

Australian Dairy Corporation—Report for 1997-98. Motion of Senator Forshaw to take note of document agreed to.

Australian Meat and Live-stock Corporation—Report for 1997-98 (Final report). Motion of Senator Forshaw to take note of document agreed to.

Rural Industries Research and Development Corporation—Report for 1997-98. Motion of Senator Forshaw to take note of document agreed to.

Fisheries Research and Development Corporation and Fisheries Research and Development Corporation Selection Committee—Report for 1997-98. Motion of Senator Forshaw to take note of document agreed to.

Australian Fisheries Management Authority and Australian Fisheries Management Authority Selection Committee—Report for 1997-98. Motion of Senator O'Chee to take note of document agreed to.

Pharmaceutical Benefits Pricing Authority—Report for 1997-98. Motion of Senator McKiernan to take note of document agreed to.

Pig Research and Development Corporation and Pig Research and Development Corporation Selection Committee—Report for 1997-98. Motion of Senator Sandy Macdonald to take note of document agreed to.

Meat Research Corporation—Report for 1997-98 (Final report). Motion of Senator Forshaw to take note of document agreed to.

Australian Pork Corporation—Report for 1997-98. Motion of Senator Forshaw to take note of document agreed to.

National Competition Council—Report for 1997-98. Motion of Senator Margetts to take note of document agreed to.

Taxation Reform—Community Education and Information Programme—Documents tabled by the Treasurer (Mr Costello) relating to market research conducted by the Treasury, 11 November 1998. Motion of Senator Ray to take note of document agreed to.

Land and Water Resources Research and Development Corporation—Report for 1997-98. Motion of Senator Margetts to take note of document agreed to.

APEC—Australia's individual action plan: Trade equals jobs—Report and ministerial statement by the Minister for Trade (Mr Fischer), November 1998. Motion of Senator Sandy Macdonald to take note of document agreed to.

Australian Securities Commission—Report for 1997-98. Motion of Senator Cooney to take note of document agreed to.

Nuclear Safety Bureau—Report for the period 1 January to 31 March 1998 (NSB.QRM 42). Motion of Senator Margetts to take note of document agreed to.

Rural Adjustment Scheme Advisory Council—Report for 1997-98. Motion of Senator Forshaw to take note of document agreed to.

Superannuation Complaints Tribunal—Report for 1997-98. Motion of Senator Watson to take note of document agreed to.

Productivity Commission—Report for 1997-98. Motion of Senator Margetts to take note of document agreed to.

Australian Institute of Marine Science—Report for 1997-98. Motion of Senator Hogg to take note of document agreed to.

Australian Rail Track Corporation Limited—Statement of corporate intent, August 1998.

Motion of Senator Woodley to take note of document agreed to.

Health Insurance Commission—Report for 1997-98. Motion of Senator Forshaw to take note of document agreed to.

Genetic Manipulation Advisory Committee—Report for 1997-98. Motion of Senator Stott Despoja to take note of document agreed to.

Productivity Commission—Report—No. 3—Pig and pigmeat industries: Safeguard action against imports, 11 November 1998. Motion of Senator Sandy Macdonald to take note of document agreed to.

Remuneration Tribunal—Report for 1997-98. Motion of Senator Forshaw to take note of document agreed to.

Wet Tropics Management Authority—Report for 1997-98. Motion of Senator Woodley to take note of document agreed to.

High Court of Australia—Report for 1997-98. Motion of Senator Cooney to take note of document agreed to.

Meat Industry Council—Report for 1997-98. Motion of Senator Hogg to take note of document agreed to.

Grape and Wine Research and Development Corporation and Grape and Wine Research and Development Corporation Selection Committee—Reports for 1997-98. Motion of Senator Brownhill to take note of document agreed to.

Dried Fruits Research and Development Council—Report for 1997-98. Motion of Senator Forshaw to take note of document agreed to.

Inspector-General in Bankruptcy—Report for 1997-98 on the operation of the Act. Motion of Senator Hutchins to take note of document agreed to.

Public Service and Merit Protection Commission—State of the service—Report for 1997-98. Motion of Senator Hogg to take note of document agreed to.

Australia-China Council—Report for 1997-98, incorporating reports for the period 1 July 1994 to 30 June 1997. Motion of Senator Hogg to take note of document agreed to.

Treaties—*Bilateral*—Text, together with national interest analysis—Agreement between the Government of the United States of America and the Government of Australia concerning Defense Communications Services, done at Arlington on 14 October 1998 and at Washington on 30 October 1998. Motion of Senator Denman to take note of document agreed to.

Treaties—*Bilateral*—Text, together with national interest analysis—Agreement between the Government of Australia and the Government of the United States of America concerning Acquisition and Cross-Servicing, done at Canberra on 9 December 1998. Motion of Senator Denman to take note of document agreed to.

Safety Review Committee—Report for 1997-98. Motion of Senator Margetts to take note of document agreed to.

Aquatic Air Pty Ltd—Regulation by the Civil Aviation Safety Authority of Aquatic Air Pty Ltd (trading as South Pacific Seaplanes)—Review prepared by Stephen Skehill, October 1998. Motion of Senator Mackay to take note of document agreed to.

Aquatic Air Pty Ltd—CASA actions arising from the Skehill report, 1 February 1999 (incorporating actions to 9 February 1999). Motion of Senator Mackay to take note of document agreed to.

Bureau of Air Safety Investigation—Air safety report—Investigation report 9802830—Cessna 185E floatplane, VH-HTS, Calabash Bay, NSW, 26 July 1998. Motion of Senator Mackay to take note of document agreed to.

Telecommunications carrier industry development plans—Progress report for 1997-98. Motion of Senator Margetts to take note of document agreed to.

Agriculture and Resource Management Council of Australia and New Zealand—Record and resolutions—14th meeting, Adelaide, 20 November 1998. Motion of Senator Margetts to take note of document agreed to.

Australia and the IMF—Report for 1997-98. Motion of Senator Margetts to take note of document agreed to.

Australia and the Asian Development Bank—Report for 1997-98. Motion of Senator Margetts to take note of document agreed to.

Australia and the World Bank—Report for 1997-98. Motion of Senator Margetts to take note of document agreed to.

Northern Land Council—Report for 1997-98. Motion of Senator Tambling to take note of document agreed to.

General business orders of the day nos 33-74, 87-97, 116-121, 126-185 and 198-201 relating to government documents were called on but no motion was moved.

COMMITTEES

Consideration

The following orders of the day relating to committee reports and government responses were considered:

Rural and Regional Affairs and Transport Legislation Committee—Report—Regional Forest Agreements Bill 1998. Motion of Senator Brown to take note of report agreed to.

Regulations and Ordinances—Standing Committee—106th report—Annual report 1997-98. Motion of the Chair of the Standing Committee on Regulations and Ordinances (Senator O'Chee) to take note of report agreed to.

Environment, Communications, Information Technology and the Arts Legislation Committee—Report—Australian content standard for television and paragraph 160(d) of the *Broadcasting Services Act 1992*. Motion of Senator Eggleston to take note of report agreed to.

Legal and Constitutional Legislation Committee—Report—Human Rights Legislation Amendment Bill (No. 2) 1998. Motion of Senator O'Chee to take note of report agreed to.

Community Standards Relevant to the Supply of Services Utilising Electronic Technologies—Select Committee—Report entitled: Portrayal of violence in the electronic media—Government response. Motion of Senator Harradine to take note of document agreed to.

Community Affairs Legislation Committee—Report—Child care funding. Motion of the chair of the committee (Senator Crowley) to take note of report agreed to.

Privileges—Standing Committee—74th report—Possible unauthorised disclosure of parliamentary committee proceedings. Motion of the chair of the committee (Senator Ray) to take note of report agreed to.

Finance and Public Administration References Committee—Report—Contracting out of government services: Second report—Government response. Motion of Senator Murray to take note of document agreed to.

ADJOURNMENT

The DEPUTY PRESIDENT—Order! It being 6.02 p.m., I propose the question:

That the Senate do now adjourn.

Gay and Lesbian Mardi Gras

Ambassador to Denmark

Same-sex Couples

Senator BARTLETT (Queensland) (6.02 p.m.)—I rise to speak tonight slightly earlier than I expected. I will start by voicing a few words of congratulations to the Prime Minister for the wisdom and maturity he showed in appointing an ambassador who is proud of his relationship with another man and for recognising that person's abilities regardless of criticism that others in the community have made about that person's pride in their relationship.

As was reported in the media recently, Australia's new ambassador to Denmark recently presented his same-sex partner to the Queen of Denmark, which is particularly appropriate because in 1989 Denmark became the first country in the world to allow civil marriages between homosexuals. I gather from the newspapers that Mr Howard would have been well aware of the ambassador's sexual orientation as he had been an adviser in the Prime Minister's office prior to taking up his diplomatic appointment last month. While the ambassador's sexuality per se is largely irrelevant, with the level of homophobia that still exists in places in the Australian community this type of proud public display of a relationship is very welcome.

The next step is for the equal rights that have been granted to senior public servants, especially those in the Department of Foreign Affairs and Trade, to be extended to include all Commonwealth employees. The Australian Council for Lesbian and Gay Rights has called for spousal rights to be extended to all Commonwealth public servants in same-sex relationships, including members of the defence forces and the Australian Federal Police.

Most gay and lesbian employees of the Commonwealth do not have the same rights as their heterosexual colleagues in areas like relocation allowances, family leave and other employment conditions. With the exception of limited protection against unfair dismissal for federal employees on the grounds of sexual orientation—measures which do not apply to state based employees—federal legislation in Australia prohibiting discrimination on the grounds of sexuality or transgender identity is notably lacking.

Recently, in my home state of Queensland, the Minister for Family Services, Anna Bligh, has been urged by many in the community to honour her promise to rewrite the Domestic Violence Act to cover same-sex couples, their families and children. Western Australia is the

only state with absolutely no equal opportunity legislation offering any sort of protection for sexual minorities. The Democrats have been seeking support for the Sexuality Discrimination Bill, which my WA state based colleague Helen Hodgson introduced in the Western Australian state parliament in 1997. The bill seeks to equalise the age of consent at 16 for everyone, to amend the Equal Opportunity Act to include sexuality and transgendered identity in its protections and to repeal the homophobic preamble and the proselytising clause of the 1990 decriminalisation law.

In New South Wales, before the 1995 election, the Labor government promised to introduce in its first term legislation to recognise same-sex relationships. It failed to do so. Last June, Democrat MP Elizabeth Kirby introduced a private member's bill—the De Facto Relationships Amendment Bill—into the upper house to try to redress this failure on the part of the Labor government. I am proud of the efforts of the Democrats over many years in fighting for inclusion and recognition of same-sex couples in legislation, but we are quite happy, indeed keen, to share that limelight with as many others as possible who support our moves in this area.

I speak as the Democrat spokesperson for gay, lesbian, bisexual and transgender issues. This can be a bit of a mouthful, so sometimes use the abbreviation of 'spokesperson on sexuality'. In human sexuality, there are more variations in identity than there are labels, and the community has been quite ingenious in reclaiming words like 'queer'. Homer J. Simpson spoke for ignorance based homophobes everywhere when he complained about the appropriation of that word. He said, 'You can't use that word. That's our word for making fun of you.'

I note that I have been outed by the Melbourne *Star Observer* in their Gay and Lesbian Mardi Gras coverage as a 'heterosexual Queenslander'. As the saying goes, we're not all straight in the sunshine state. Like that other purple aficionado, Tinky Winky, I prefer not to comment on speculation about sexuality and sexual orientation. Nonetheless, I will be proud to retain the role of spokesperson on gay and lesbian issues when senator-elect Brian Greig enters the Senate in July—only the second openly gay man to serve in this chamber. He is not, despite the inevitable focus on his history as a gay activist, a single-issue senator.

The substantive matter I wish to speak on tonight is the Gay and Lesbian Mardi Gras parade held in Sydney on 26 February. This was the 21st anniversary of the original civil rights demonstration. In 1978 many of those who marched were beaten and arrested. Fifty-three were charged and their names were published on the front page of the *Sydney Morning Herald*, which led to many losing their jobs. It is a shame in 1999 that John Howard as PM still will not send a message of support or goodwill for this enormous, diverse and creative community event.

Again unfortunately from Queensland, the Family Council of Queensland, which claims to have 50,000 members, put out a public call threatening to boycott major companies and asked them to explain why they were advertising in the Gay and Lesbian Mardi Gras guidebook. Let me give them a hint. Qantas alone earns $1.5 million from international visitors and the mardi gras attracts more international and interstate visitors than any other cultural festival in Sydney, Melbourne, Perth or Adelaide. But it is not just about money. Indeed, that is one of the least important aspects.

The Gay and Lesbian Mardi Gras is not just the parade, which I was thrilled to participate again in this year along with over 2,000 other people and with 600,000-plus people watching on the streets, many more people watching the TV coverage, 350 media personnel and an Internet live netcast, which this year received 50,000 hits from over 100 countries. The Gay and Lesbian Mardi Gras is not just the party later and it is not just Fair Day on Valentine's Day. Nor is it just the Mardi Gras swimming carnival or the other public exhibitions and performances which major museums, theatres, concert halls, pubs and playhouses participate in. There is not time here to describe the scope of this month-long festival which attracts thousands of tourists and millions of tourist dollars to Australia and sends a vital

message to the world that Australia is a diverse, tolerant and occasionally glamorous community.

It is a shame that the Prime Minister wants no part of it—not that I think the mardi gras suffers from lacking the PM's stamp of approval. I think it is a shame because I imagine the Prime Minister has never attended a Gay and Lesbian Mardi Gras parade and I think he would personally benefit from the joyful, proud and vibrant atmosphere of that occasion. For some years now the Australian Democrats have participated in this event. My federal parliamentary colleague Senator Natasha Stott Despoja, my state college in New South Wales Arthur Chesterfield-Evans, the two WA Democrats I have mentioned just before, Helen Hodgson and Brian Greig, myself and well over 100 Democrat members took part on the night. It was also pleasing to see the participation of Clover Moore, an Independent member in New South Wales, who has well represented the inner city community electorate of Bligh and been a strong supporter, defender and promoter of gay rights. The inclusion of friends, relatives, colleagues and groups such as the Uniting Church, the New South Wales Police Force and the Australian Democrats is important in showing that gays and lesbians and those who support them are citizens, workers, parents, old, young, different races, disabled—in short, representative of the Australian community as a whole—as well as showing some glitter, glamour, fit and fabulous, half-naked gyraters who usually make the news.

Fortunately, Premier Bob Carr and opposition leader Kerry Chikarovski were present only in the form of a reversible effigy—a timely pre-election condemnation of the failure by New South Wales political leaders to address the issue of legal recognition for same-sex couples. There were also representatives from religious groups such as the Quakers, the Metropolitan Community Church and Jewish groups. Appropriately in the International Year of Older Persons there were many older people marching. There was the usual humour and satire and it was all round a very colourful and uplifting experience.

There was a sizeable remembrance contingent which honoured the memory of those who have died and paid tribute to those living with, or affected by, HIV. There were quilt panels commemorating lost loved ones. The National Centre in HIV Epidemiology and Clinical Research staged a fully costumed battle between the virus, protease inhibitors and T-cells. One of the most poignant moments of the night emerged in the tribute to the former South Australian Premier Don Dunstan, who passed away with cancer a month ago. He was a hero to many, including many in the gay and lesbian community, for his progressive advocacy of rights for homosexuals. His long-standing partner was present and I certainly send sincere condolences to him for his loss.

I congratulate and thank the organisers, the police on crowd control and the 1,300 volunteer officials who lined the parade route helping to control the crowds of around 600,000. There was only one arrest, which is 52 fewer than 22 years ago, so we are making some progress. The Gay and Lesbian Mardi Gras parade is infused with an atmosphere of friendliness, humour, pride and humanity. I feel genuinely sorry for everyone who was not there, but I feel particularly sad for those—like the Prime Minister—who were not there because they are under the mistaken belief that there is something wrong with it.

Senate adjourned at 6.12 p.m.

DOCUMENTS

Tabling

The following documents were tabled by the Clerk:

Taxation Determination—

TD 7 (Addendum).

TD 97/15 (Addendum).

QUESTIONS ON NOTICE

The following answers to questions were circulated:

Aboriginal Communities: Ministerial Visits

(Question No. 3)

Senator O'Brien asked the Minister for Aboriginal and Torres Strait Islander Affairs, upon notice, on 23 July 1998:

(1) Can a list be provided of all the aboriginal communities the Minister has visited since March 1996.

(2) (a) Can details be provided of the type of aircraft used for each visit; and

(b) did the Minister use commercial aircraft, either RPT or charter, VIP aircraft or private aircraft.

(3) What was the duration of each visit.

(4) Who accompanied the Minister on each visit.

(5) Can a breakdown of costs be provided, including transport and accommodation costs, for each visit.

Senator Herron—The answer to the honourable senator's question is as follows:

(1) (Communities Visited)	(2) (Type of Aircraft)	(3) (Duration of Visit)	(4) (Accompanied Minister)
Alice Springs, Darwin, Perth	Charter flights provided by the NT Government	26-30 March 1996	Mrs Herron and Media Adviser
Yorke Island	Charter Flight Piper Navaho	22-24 April 1996	Mrs Herron, Chief of Staff and Media Adviser
Kununurra, Jigalong, Warburton, Barrel Well (in Perth)	RAAF VIP from Brisbane-Alice Springs-Kununurra and Charter flights elsewhere	4-7 June 1996	Mrs Herron, Chief of Staff, Media Adviser and Electorate Officer
Warraber Island, Badu Island, Boigu Island, Thursday Island	RAAF VIP from Canberra to Horn Island and return Charter flight from Horn Island to Cairns	11-13 June 1996	Mrs Herron, Chief of Staff, and Personal Secretary
Au Karem Lee Torres Strait Community	Met in Brisbane	30 June 1996	Adviser
Brewarrina, Bourke, Wilcannia, Narromine, Dubbo, (Broken Hill and Menindee in Wilcannia)	Charter flight from Canberra and return	2-3 July 1996	Mrs Herron, Media Adviser, ATSIC DLO and ATSIC State Manager
Binjirru/Tumbukka communities at Marysville, Victoria	Commercial flight from Canberra to Melbourne and return. Comcar from Melbourne to Marysville	17 July 1996	Chief of Staff and Adviser

(1) (Communities Visited)	(2) (Type of Aircraft)	(3) (Duration of Visit)	(4) (Accompanied Minister)
Yarrabah, Pormpuraaw, Arukun, Bamaga and Hopevale	Commercial flights from Brisbane to Cairns and return. Charter flights between communities	30 July to 1 August 1996	Mrs Herron and Media Adviser
Umuwa, Ernabella (Pukatja), Waatinuma Homelands, Walinny Homelands, Amata and Coober Pedy	Commercial flights between Brisbane, Adelaide, Melbourne, Brisbane Charter flights between communities	5-8 August 1996	Chief of Staff, Adviser and ATSIC State Manager
Shepparton	Commercial flight from Brisbane to Melbourne and return. Comcar to Shepparton	28 August 1996	Chief of Staff, Media Adviser and ATSIC DLO
Nhulunbuy, Tennant Creek, Uluru-Mutijulu	RAAF VIP	29 September to 4 October 1996	Mrs Herron, Chief of Staff and Personal Secretary
Gilgandra	Charter flight	16 December 1996	Chief of Staff
Jawoyn Community	RAAF VIP	27-28 January 1997	ATSIC Chairman, Chief of Staff, and Media Adviser
Walgett and Moree	Commercial flight from Canberra to Narrabri. Charter flights from Narrabri to Walgett to Moree to Brisbane	30-31 January 1997	ATSIC DLO and Media Adviser
Woorabinda	Commercial flight from Brisbane to Rockhampton and return. Charter flight from Rockhampton to Woorabinda and return	19 February 1997	Mr Paul Marek MP, Adviser, and Media Adviser and one staff of Mr Marek
Nowra	Charter flight from Canberra	11 March 1997	Senator Heffernan, Chief of Staff, ATSIC DLO
Alice Springs (Tangentyere), Apatula, Fitzroy Crossing, Noonkanbah, Bardi and Lombardina	RAAF VIP and Charter flights	21-23 April 1997	Mrs Herron, Adviser, Media Adviser and Personal Secretary
Nunjawa at Queanbeyan	Comcar	16 June 1997	Adviser

(1) (Communities Visited)	(2) (Type of Aircraft)	(3) (Duration of Visit)	(4) (Accompanied Minister)
Thursday Island	Commercial flight from Brisbane to Townsville. PMs RAAF VIP from Townsville to Horn Island and Horn Island to Cairns. Commercial flight from Cairns to Brisbane	9 July 1997	Chief of Staff
Tiwi Islands, Nguiu, Pirlangimpi, Snake Bay and Warburton	Commercial flight from Brisbane to Tiwi Islands. Charter flights between islands. Commercial flight from Darwin to Alice Springs. Charter to Warburton and back to Alice Springs. Commercial from Alice Springs to Brisbane	13-18 July 1997	Mrs Herron, Chief of Staff, Media Adviser
Aboriginal and Islander School Community, Brisbane	N/a	20 August 1997	Chief of Staff
Arrente Council, Tangentyere	Commercial flights	8-11 September 1997 (included attendance at Conference on Economic Dev. for Indigenous Australians in Darwin)	Adviser and Media Adviser
Ceduna, Oak Valley, Port Augusta, Point Pearce and Berri	Commercial flights from Brisbane to Adelaide and return. Charter flights between communities	15-19 September 1997	Mrs Herron, Chief of Staff, Personal Secretary and Adviser from PMs office
Thursday Island (To discuss Standing Committee report on Torres Strait autonomy)	RAAF VIP	13-15 October 1997	Hon. Lou Lieberman MP, Mr James Catchpole (House of Reps Standing Committee), Chief of Staff, Adviser, Mr Peter Vaughan (PM&C) and Adviser from PMs office
Palm Island	Commercial flights	16-17 October 1997	Adviser and Media Adviser
Maningrida (Darwin), Bulla and Nhulunbuy	Commercial and charter flights	17-20 December 1997	Mrs Herron, Chief of Staff and Chief of Staff's wife
Nhulunbuy	Commercial	19-22 January 1998	Chief of Staff

(1) (Communities Visited)	(2) (Type of Aircraft)	(3) (Duration of Visit)	(4) (Accompanied Minister)
Bega and Eden	Charter flight from Canberra to Merimbula and return	6 February 1998	Mr Gary Nairn MP, Adviser and ATSIC Regional Manager
Miriambiak, Melbourne	Commercial	24 February 1998	Adviser
Elcho Island, Nhulunbuy	PMs RAAF VIP	26-28 February 1998	Chief of Staff
Thursday Island, St Pauls Island and Badu Island	RAAF VIP	19-20 March 1998	Chief of Staff, Media Adviser and Electorate officer
Tomerong, Jerringja, Wreck Bay and Uludulla	Charter flight from Canberra to Nowra and return	16-17 April 1998	Adviser and Media Adviser
Cullacabardee, Perth	Commercial flights	23 April 1998	Mrs Herron, Adviser, Media Adviser
Tennant Creek, Yuendumu, Docker River, Santa Teresa, Papunya	Commercial flights from Brisbane to Alice Springs and return. Charter flights from Alice Springs to communities	26-29 April 1998	Mrs Herron, Adviser, and Media Adviser
Kalkarindji	Commercial flights to Alice Springs. Charter from Alice Springs	19 May 1998	Hon. Nick Dondas MP, Chief of Staff and Media Adviser
Nindetharna and Moree	Charter flight from Sydney to Moree and return	21 May 1998	Media Adviser and Mr Russell Patterson (DEETYA)
Rockhampton	Commercial	17 June 1998	Media Adviser
Mt Tom Price and Broome	RAAF VIP	4-7 July 1998	Mrs Herron, Chief of Staff and Adviser
Jigalong, Derby, Oombulgurri and Kununurra	Commercial flights from Brisbane to Perth. Charter around communities provided by WA Government	28-30 July 1998	Chief of Staff
Thursday Island	Commercial flights	17-20 August 1998	Chief of Staff
Ti Tree, Anmatyere	Commercial flights and charter	4-5 September 1998	Chief of Staff
Port Lincoln	Commercial flights	7-9 September 1998	Mrs Herron and Chief of Staff
Thursday Island	Commercial flight to Cairns. Charter flight from Cairns.	17-19 September 1998	Mr Warren Entsch MP and Chief of Staff
Hodgson Downs, Ngukurr, Numbulwar, Bickerton	Commercial flight to Darwin. Charter flights to communities	21-23 September 1998	Mrs Herron, Chief of Staff, Hon. Nick Dondas MP

(5) A breakdown of costs per visit is not readily available but the Minister for Finance and Administration regularly publishes the full cost of Ministerial travel.

Department of Foreign Affairs and Trade: Conference Expenditure

(Question Nos. 208 and 212)

Senator Faulkner asked the Minister representing the Minister for Foreign Affairs and the Minister for Trade, upon notice, on 25 November 1998:

(1) What is the total expenditure on conferences both: (a) in house, that is, held within the department or agency; and (b) external, held by the department or agencies within the portfolio, on a month by month basis since March 1996.

(2) For conferences fully funded by the department and portfolio agencies, and costing in excess of $30,000; (a) where was the venue; (b) what was the reason for each conference; (c) how many participants registered; (d) were consultancy fees paid ;(e) to whom were the consultancy fees paid; and (f) what was the cost of each consultancy.

(3) For conferences part-sponsored or part-funded by the department and portfolio agencies and costing the Commonwealth in excess of $30,000; (a) what was the cost to the department or agency; (b) what was the proportion of Commonwealth funding as against the total cost of the conference; (c) what was the rationale for the sponsorship or part-funding; (d) what was the venue; (e) how many participants registered; (f) did the Commonwealth contribute to any consultant organising the conference; if so, who was the consultant; and (g) how much was the Commonwealth's contribution.

Senator Hill—The Minister for Foreign Affairs and the Minister for Trade have provided the following information in response to Senator Faulkner's question:

(1) (a) Total portfolio expenditure on in-house conferences since March 1996 is $23,069.

(b) Total portfolio expenditure on external conferences since March 1996 is $2,989,042.

The attached spreadsheet provides a month-by-month breakdown. Austrade seminars for exporters were not considered as conferences within the meaning of the question, however details can be provided if required.

(2) Details of conferences fully funded by the portfolio costing in excess of $30,000 as requested in section 2 are provided in the attached spreadsheet.

(3) Details of conferences part-sponsored or part-funded by the portfolio costing in excess of $30,000 as requested in section 3 of the question are provided in the attached spreadsheet.

	DFAT	DFAT	AUSAID	AUSAID	AUSTRAD	AUSTRAD	Total	Total	Total
Month	Internal	External	Internal	External	Internal	External	Internal	External	
Mar-96		18,234						18,234	18,234
Apr-96									
May-96									
Jun-96									
Jul-96									
Aug-96				5,870				5,870	5,870
Sep-96				115,064				115,064	115,064
Oct-96			9,770				9770		9770
Nov-96		588,100						588,100	588,100
Dec-96		1,034,239		16,000		200,000		1,250,23	1,250,239.0
								9	0
Jan-97									
Feb-97				17,083				17,083	17,083
Mar-97									
Apr-97									
May-97									
Jun-97				16,708				16,708	16,708
Jul-97			1,035	9688			1035	9,688	10,723
Aug-97			1,000				1000		1000
Sep-97		6,084		34,282				40,366	40,366
Oct-97		114,158	219				219	114,158	114,377
Nov-97									
Dec-97									
Jan-98				65,000				65,000	65,000
Feb-98		89,126	9,841				9841	89,126	98,967
Mar-98									
Apr-98	1,204						1204		1204
May-98		41,908		20,000				61,908	61,908

Month	DFAT Internal	DFAT External	AUSAID Internal	AUSAID External	AUSTRAD Internal	AUSTRAD External	Total Internal	Total External	Total
Jun-98		150,000		71,268		100,000		321,368	321,368
Jul-98									
Aug-98				7,071				7,071	7,071
Sep-98				32,000				32,000	32,000
Oct-98									
Nov-98				213,990				213,990	213,990
							Totals	2,965,973	2,989,042

QUESTION 2—DETAILS OF CONFERENCES COSTING OVER $30,000

1	(a)	Infrastructure Development of IndoChina Conference	$81,673
			Sep-96
	(b)	Marriot Hotel, Sydney	
	(c)	103 participants	
	(d)	Yes	
	(e)	Meetings Manager Pty Ltd	
	(f)	$32,336	
2	(a)	Australia—India New Horizons Business Forum New Delhi and Mumbai, India	$588,100
			Nov-96
	(b)	Conducted to encourage contact between Australian and Indian businesspeople.	
	(c)	400	
	(d)	Yes	
	(e)	Conference Australia	
	(f)	$75,000	
3	(a)	50th Anniversary South Pacific Conference Wilenski Conference Centre, DFAT, Canberra	$114,158
			Oct-97
	(b)	Biennial Ministerial level conference for the Sth Pacific Community	
	(c)	157 Official participants from 26 member countries and observer organisations registered.	
	(d)	No	
	(e)	N/A	
	(f)	N/A	
4	(a)	Cultural Relations Summit Ayers House, Adelaide	$33,852
			Feb-98
	(b)	To discuss a national approach to promoting Australia abroad more effectively through the Arts.	
	(c)	38	
	(d)	No	
	(e)	N/A	
	(f)	N/A	
5	(a)	Singapore Australia Business Alliance Forum Hotel Sofitel Melbourne	$55,274
			Feb-98
	(b)	To explore future strategic directions in business relations and parnerships between Singapore and Australia	
	(c)	70	

	(d)	Yes			
	(e)	Creative Conferences Pty Ltd			
	(f)	$12,000			

QUESTION 3—DETAILS OF CONFERENCES PART-SPONSORED OR PART-FUNDED AND COSTING IN EXCESS OF $30,000

1	(a)	Annual ANU Indonesia Update Conference		$30,000 Sep-96	
	(b)	Approximately 60 per cent			
	(c)	The Indonesia Update is the major international conference of its type held outside Indonesia. It provides an important forum for Indonesia/Australia development cooperation. At each Update, major development challenges confronting Indonesia are publicly aired, analysed and debated in a constructive manner. The purpose of the Update conferences is to educate the broader Australian community about recent economic, political and social developments in Indonesia, and to demonstrate to an influential Indonesian constituency Australia's commitment to and understanding of their country. The proceedings of each Update conference are published in the ANU's Indonesia Assessment series.			
	(d)	Coombs Lecture Theatre, ANU			
	(e)	300-400 participants attended various sessions over two days			
	(f)	No			
	(g)	Not applicable as no consultant costs contributed by AusAID			
2	(a)	National Trade and Investment Outlook Conference (NTIOC) Total expenditure: $1,424,604 DFAT: $1,224,604 Austrade: $200,000		Nov-96	
	(b)	Total Commonwealth expenditure was $1,234,239—46 per cent of total cost of $2,651,329			$2,651,329
	(c)	NTIOC 96 was the fourth conference of a planned series of five, intended to encourage the growth of an export culture in Australia and to highlight Australia as a competitive investment location, with associated business networking.			
	(d)	Melbourne Exhibition and Conference Centre, Victoria			
	(e)	1,076			
	(f)	Yes. The Consultant organiser was Conference Australia of Melbourne,Victoria			

	(g)	Commonwealth contribution to consultant organiser was $303,670, including fees and office expenses incurred by Conference Australia.				
3	(a)	1997 Annual ANU Indonesia Update Conference			Total expenditure $30,000	
	(b)	Approximately 60 per cent				Sep-97
	(c)	The Indonesia Update is the major international conference of its type held outside Indonesia. It provides an important forum for Indonesia/Australia development cooperation. At each Update, major development challenges confronting Indonesia are publicly aired, analysed and debated in a constructive manner. The purpose of the Update conferences is to educate the broader Australian community about recent economic,political		and social developments in		
		Indonesia, and to demonstrate to an influential Indonesian constituency Australia's commitment to and understanding of their country. The proceedings of each Update conference are published in the ANU's Indonesia Assessment series.				
	(d)	Coombs Lecture theatre, at the ANU				
	(e)	300-400 participants attended various sessions over two days				
	(f)	No				
	(g)	Not applicable as no consultant costs contributed by AusAID				
4	(a)	Conference on Climate Change—New Delhi India.			Total Expenditure $65,000	
						Jan-98
	(b)	13 per cent. Total cost of the conference was AUD 473,120				
	(c)	To evaluate existing and planned AIJ activities in developing countries, to assess the possibility of new initiatives and to promote the involvement of the private sector and NGOs.				
	(d)	New Delhi				
	(e)	210 participants				
	(f)	AusAID funds were not used for any consultancy fees				
	(g)	N/A—see (f)				
5	(a)	Australia Summit 98			Total expenditure $250,000	
		DFAT: $150,000	Austrade: $100,000			Jun-98

	(b)	Total Commonwealth expenditure was $375,000—28 per cent of total cost of $1,319,296		
	(c)	The Australia Summit was the successor to NTIOC, in response to the NTIOC 93-96 evaluation which demonstrated a need for a change in format, for a greater role to be played by the private sector, and for a reduction in the cost to the Commonwealth Government.		
	(d)	Melbourne Exhibition and Conference Centre, Victoria		
	(e)	775		
	(f)	No		
	(g)	Not applicable		
6	(a)	Annual ANU Indonesia Update Conference	Total expenditure $32,000	Sep-98
	(b)	Approximately 60 per cent		
	(c)	The Indonesia Update is the major international conference of its type held outside Indonesia. It provides an important forum for Indonesian/Australian development cooperation.		
	(d)	Coombs Lecture Theatre, ANU, Canberra		
	(e)	300—400 participants attended various sessions over two days		
	(f)	No		
	(g)	Not applicable as no consultant costs were contributed to by AusAID		
7	(a)	Department of Treasury Corporate Governance in APEC symposium. (Funding provided under the APEC Support Program)	Total expenditure $195,610	Nov-98
	(b)	Approximately 93 per cent		
	(c)	Treasurer's commitment to 1998 APEC Finance Ministers' meeting for Australia to host an APEC symposium on corporate governance		
	(d)	Customs House, Sydney		
	(e)	69		
	(f)	Yes, Australian APEC Studies Centre		
	(g)	$195,610		
8	(a)	DPIE Aquatic Animal Quarantine in Developing Countries Conference (Funding provided under the APEC Support Program).	Total expenditure $71,286	

	NB—Workshop to be held in February 99, funded in June 98
(b)	AusAID $71,268 DPIE $10,500 Other self-paying participants $41,070
(c)	To improve quarantine controls for aquaculture in the region by developing technical regional guidelines for live aquatic animal quarantine.
(d)	Headquarters of the Network of Aquaculture Centres for Asia-Pacific, Bangkok, Thailand
(e)	18 countries to be represented
(f)	Yes: network of Aquaculture Centres for Asia-Pacific
(g)	$15,000

Centrelink: Disability Officers

(Question No. 19)

Senator Allison asked the Minister for Family and Community Services, upon notice, on 10 November 1998:

(1) Which Centrelink Service Centres do not currently employ disability officers or are not serviced by a disability officer.

(2) How many disability officers are currently employed in the Centrelink Service Centres.

(3) How many disability support officers were employed by the Department of Social Security in 1996 and 1997.

(4) How many disability job seeker advisers were employed by the Department of Employment, Education, Training, and Youth Affairs in 1996 and 1997.

(5) (a) On what criteria do Centrelink Service Centres choose the three agencies to which clients with disabilities are referred for employment services; (b) are records kept of those referrals; and (c) are they available for public scrutiny.

(6) Are the employment agencies advised of their status in terms of suitability for referral; if so, how; if not, why not.

(7) What grounds are there for service agencies to appeal if they receive no referrals.

(8) What procedures are in place to safeguard against clients with disabilities being referred to agencies which have no places available.

(9) What procedure is in place to ensure that clients with disabilities do not register with more than one agency.

(10) What procedure is in place to ensure that if clients with disabilities are not successful in their approach for service provision at all three agencies to which they are referred, they receive further referrals.

(11) What records are kept by Centrelink on people with disabilities unable to access employment services.

(12) Has the survey of the establishment of disability and carer teams been completed; if so, can a copy of the result be provided; if not, when is it expected to be completed.

(13) Is it possible to collect this data in any way other than by survey; if so, how; if not, why not.

(14) Under what circumstances is the establishment of disability and carer teams not mandatory in every Centrelink office.

(15) Is this the prime strategy to overcome gaps.

(16) Is the Minister aware that many people with disabilities are not being referred to appropriate agencies because their work ability table scores do not accurately reflect their disabilities and accommodate the range of disabilities that individuals have.

(17) Has the current service application format and system for employment service provision been tested on disability groups and individuals to measure its accuracy, validity and real ability to determine needs.

(18) Is there any intention to review the effectiveness of the current assessment and referral format.

(19) What assistance is provided in completing the assessment and referral format for people who have: (a) a hearing impairment; (b) a visual impairment; (c) an intellectual disability; or (d) a psychiatric illness, such as schizophrenia.

(20) Is it still the intention of the Government to cease by January 1999 the current endorsement arrangement whereby clients can approach agencies directly for employment service provision and be assessed by those agencies; if so, what is the rationale for such a change.

(21) How many clients currently access services directly through such agencies.

(22)(a) What evidence it there that clients with disabilities are exercising choice of service provider; and (b) can such evidence be made available.

Senator Newman—The answer to the honourable senator's question is as follows:

(1) All Centrelink Customer Service Centres are serviced by a Centrelink Disability Officer.

(2) Centrelink has 254 Centrelink Disability Officers.

(3) As at 30 June 1996 and 30 June 1997 the former Department of Social Security employed 192 Disability Support Officers.

(4) Centrelink is unable to provide data on the number of Disability Job Seeker Advisers (DJAs) that were employed by the former Department of Employment, Education, Training and Youth Affairs (DEETYA) in 1996 and 1997. However 56 DJAs were transferred from DEETYA on the establishment of Centrelink.

(5) (a) Traditionally the majority of job seekers being streamed to FaCS funded employment services are on the Disability Support Pension, and participation in the labour market is voluntary. Accordingly, the procedures for accessing FaCS funded services are designed predominantly for this client group. Centrelink Disability Officer will help the job seeker make an 'informed' choice about which specialist employment services will best meet their needs by giving them impartial and accurate information on the services in their local area.

For example, if a job seeker has a psychiatric disability which is declared to Centrelink as part of the streaming process and there is a service provider in the area which specialises in placing and supporting people with psychiatric disability, the Centrelink officer has an obligation to explain to the job seeker about how that service may be best able to meet their individual needs. This information is provided in an impartial and non obligatory way. The job seeker has no obligation to select any particular service about which they have received information. The final choice of service provider rests with the job seeker, not Centrelink staff.

(b) Yes.

(c) Data on the number of referrals made by Centrelink will be made available for public scrutiny. However information relating to individual job seekers will not be made available.

(6) No. Centrelink does not have a role in determining a service's 'suitability for referral'. Centrelink provides job seekers with information about the services in their area, including information about possible vacancies and wait times where this is known. Centrelink does not direct individuals to choose particular services or direct services to accept particular individuals. Job seekers choose the service they believe will suit their needs. Service providers offer service according to the availability of resources at the time.

(7) Because the choice of service provider rests with the job seeker there are no grounds of appeal. Lack of referrals may mean lack of demand in that area for that service. However, this can not be assumed and services should contact their local Centrelink Disability Officer if they have a concern about lack of referrals. If, after discussions with Centrelink, the service has continuing concerns about lack of referrals they should contact their FaCS State Office to discuss their concerns.

(8) Centrelink is not contracted to maintain waiting lists for FaCS

specialist employment services nor to direct job seekers to take a particular service. Service providers manage the allocation of FaCS resources according to targets and priorities set down in their block grant funding agreements with the Commonwealth. This means service providers manage their own waiting lists and accept new job seekers according to available resources and progress against annual targets. Centrelink may advise job seekers where it is known that a service has no vacancies and may offer alternatives. However, if a job seeker chooses wait listing at his/her preferred service in preference to an alternative service, Centrelink is not required to direct the job seeker to an alternative. The exception may be job seekers on activity tested income support payments. In these cases Centrelink will advise that failure to take up employment assistance may affect payment entitlements and further efforts will be made to secure a service in these circumstances.

(9) Job seekers may receive help from more than one specialist service if this is necessary to meet their particular needs, for example, one agency may provide job preparation then contract another agency to do job searching. However, one service provider should take a "lead agency" role in arranging a package of services. Centrelink will only keep a record of the ' Lead Agency', that is the service that is responsible for coordinating the job seeker's program of assistance. If the job seeker has not been accepted by any of the services to which they were referred, or does not wish to use any of those services, Centrelink will provide alternatives.

(10) Centrelink will follow up each eligible job seeker to find out whether he/she has signed on with an agency. Job seekers on activity tested payments will be followed up after two weeks and in line with their activity testing requirements and other job seekers will be followed up once only at four weeks after the first referral.

(11) The following records could be kept by Centrelink for customers with disability, illness or injury, depending on their circumstances:

- 'looking for work' form;
- 'Treating Doctor's Report' form;
- 'Work Ability-Customer Information (WA)' form;
- Work Ability Information-Professional's Report (WAIR)' form;
- 'Application for Employment Assistance' form; and
- other documentary evidence that may have been supplied by customers in support of their application for income support and/or employment assistance, such as a medical certificate or specialist doctor's report.

As well as documentary evidence, information pertaining to customers' disability, illness or injury may also be held by the Centrelink system.

The Centrelink system records the result of a referral to a FaCS specialist employment service when notification is received from that service.

(12) Yes. Survey returns are still being collated and analysed and will be made available when complete.

(13) The conduct of a survey was considered the best way to collect relevant information and identify best practice for dissemination and greater use.

(14) The establishment of a teams based operation is not a prescriptive men.sure

(15) All Centrelink Customer Service Centres are serviced by a Centrelink Disability Officer and will be supported by a Disability and Carer Team.

(16) Government is aware of claims that the Work Ability Tables (WATs) do not accurately reflect the level of disability of many people. However, the WATs have been tested and validated as part of a number of trials conducted by the former Department of Social Security for Disability Support Pension purposes. Results from these trials found that the WATs did not discriminate between different disability diagnostic groups. This tool was chosen in the absence of an alternative, to stream job seekers between mainstream Job Net-work services and specialised disability employment services funded by FaCS.

However, it is recognised that the tool may require improvement based on experience.

A Disability Industry Reference Group has been established by Government to, among other things, monitor the use of the WATs and advise on any improvements required.

(17) The employment assistance application forms for people with disabilities, which collect information about the customer's disability and/or illness in relation to their capacity for work, were market-tested with customers and a range of professionals prior to implementation on 1 May 1998.

The Work Ability Tables (WATs) assessment tool was designed by the former Department of Social Security as a means to assist disability services staff determine a customer's eligibility for Disability Support Pension. Extensive research and market-testing of the tool was conducted prior to implementation.

(18) Yes. The Disability Industry Reference Group has been asked to review the current assessment and referral process and report to Government.

(19) Centrelink Disability officers and other disability services staff are available to assist customers in the completion of relevant employment assistance forms. Centrelink also has access to social workers, interpreters, occupational psychologists and multilingual telephone information services.

There is also an onus on individuals with disability to declare the nature of their disability to Centrelink as part of the eligibility assessment and streaming process. All available information will be taken into account but it is not possible for Centrelink to respond to undeclared special needs. We are aware that the procedures may not always identify people with undisclosed or undiagnosed psychiatric disability or undeclared sensory impairments. The report from a professional is designed to overcome this. In addition, the Disability Industry Reference Group has been asked to advise on ways to overcome this difficulty.

(20) The Government has decided that after 1 January 1999, job seekers with disabilities may continue to approach either Centrelink or the specialist employment service of their choice to fill out application forms for access to FaCS-funded employment assistance.

All application forms will continue to go to Centrelink for Work Ability Tables (WATs) scoring and eligibility determination. All applications received at Centrelink on or after 1 January will be assessed under the new arrangements.

Those job seekers scoring 50 and over on the WATs can be helped by a specialist disability employment service under their existing funding contract with FaCS. Job seekers with higher work ability (ie. scoring under 50 on the WATs) will be ineligible for assistance from specialist disability employment services funded by FaCS and will need to visit Centrelink to determine eligibility for Job Network assistance.

(21) This data is not currently available.

(22) (a) All clients with disabilities entering specialist disability employment services through Centrelink are able to exercise choice of service provider, based on information provided by Centrelink or by exercising freedom of choice to approach a service provider in the first instance.

(b) Data will be provided in due course.

Civil Aviation Safety Authority: Responsibilities

(Question No. 173)

Senator O'Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 24 November 1998:

(1) Is it the responsibility of the Civil Aviation Safety Authority (CASA) to monitor the operations of Airservices Australia.

(2) Does the Bureau of Air Safety Investigation state in its report Systemic investigation into factors underlying air safety occurrences in Sydney terminal airspace, that one of CASA's roles is to audit the safety processes of Airservices Australia.

(3) Does the same report state that, 'there appears to be a degree of professional reluctance for CASA to provide clear guidance on what is expected of Airservices Australia as an air service provider.

'Whilst the investigation gained a general sense that concerns were held by CASA about safety implications of the rate and complexity of change that the Sydney tower control unit controllers were being subject to, there also appeared to be a degree of reluctance to be more positive in bringing this concern to the attention of Airservices and in directing that quick and positive action be taken to redress the problem.'

(4) Has the Minister sought a briefing from BASI about its stated concerns; if not, why not.

(5) Has the Minister sought comment from CASA and Airservices Australia about the problems highlighted by BASI; if not, why not.

(6) What action has the Minister taken to address the problems, and the potential safety risk, at Kingsford Smith Airport highlighted in the BASI report.

Senator Ian Macdonald—The Minister for Transport and Regional Services has provided the following answer to the honourable senator's question:

(1) CASA is responsible for setting the aviation safety standards with which Airservices Australia must comply. CASA does not have responsibility for monitoring the day-to-day operations of Airservices Australia. CASA does, however, have an audit role which is designed to ensure that Airservices Australia has in place the necessary safety systems to give a reasonable level of certainty that the required safety standards are being met.

(2) Section 2.5 of the Report (page 28) states: If it is accepted that the CASA role is primarily to audit the safety processes of Airservices Australia, this role should encompass continuing active oversight and follow up.

(3) Yes. As a general comment, however, it should be noted that CASA and Airservices Australia have agreed standards concerning the provision of air services. Many of these standards flow directly from the International Civil Aviation Organisation (ICAO) Standards and Recommended Practices. To compliment this, CASA also has an audit function. Importantly, the audit function does not include a requirement to recommend means by which identified deficiencies should be rectified. To do so might compromise the separation of responsibility established by the Parliament.

When CASA detects an aspect of the activities of Airservices Australia which it believes falls short of agreed standards, it issues a Non-Compliance Notice(NCN). The NCN provides explicit detail on the matter. It is then the responsibility of Airservices Australia to take remedial action. CASA cancels the NCN when it is satisfied that the matter has been satisfactorily addressed.

To suggest that CASA should provide clear guidance on what is expected of Airservices without clearly defining CASA's role (the establishment of safety standards) and Airservices Australia's role (the methods for achieving those standards) is to misunderstand the roles of the respective organisations and the safety reasons for their establishment.

(4) Yes.

(5) and (6) CASA and Airservices Australia are required to respond to the recommendations in the report. I am closely monitoring their responses and will consider what further action, if any, is necessary as soon as Airservices and CASA have provided their full responses.

Airservices Australia: Safety Risk Assessment

(Question No. 177)

Senator O'Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 24 November 1998:

(1) (a) Did Airservices Australia undertake a safety risk assessment of the Class G airspace trial prior to its commencement; (b) who undertook the safety assessment; (c) how was the assessment carried out; and (d) were the assessors all employ-

ees of Airservices Australia; if so: (i) where are they located; (ii) what are their positions in the organisation; and (iii) what are the qualifications that allowed them to do the assessment.

(2) If consultants were involved in the assessment: (a) who were the consultants; (b) what were their qualifications; (c) what was the cost of the consultancies; and (d) how were the consultants selected.

(3) When did work on the safety risk assessment commence, and when was it completed.

(4) Who did the risk assessment panel report to in Airservices Australia.

(5) Did the panel provide any drafts of its report on the Class G airspace arrangements to Airservices Australia management; if so: (i) how many drafts were provided to management; (ii) who was each draft provided to, (iii) when was each draft provided; (iv) did management comment on each draft; (v) who made the comments; (vi) were aspects of any of the drafts changed in response to management comments, and (vii) if the draft reports were changed, what was the nature of each change and what was the justification for each change.

(6) Was a member of the risk assessment panel required to fly to Canberra to discuss aspects of the report on 6 October 1998; if so: (a) which member of the panel was required to undertake the trip; (b) who directed him to travel to Canberra; (c) what was the purpose of the trip; (d) who did the panel member meet with in Canberra; and (e) what was the outcome of the meeting.

(7) Was the safety report changed as a result of the Canberra meeting; if so: (a) who changed the report; (b) what was the nature of the change; (c) what was the justification for the change; (d) were all the panel members consulted about the change; and (e) did all the panel members endorse the change.

(8) Did one of the safety analysis teams analyse the various safety hazards that the Class G system creates for regular public transport jet flights in high-level airspace.

(9) Did that safety analysis team recommend that these problems be managed by traffic management techniques such as increasing the time intervals between flights to and from Sydney, temporarily suspending the Class G airspace radar service, or providing extra staff on a short-term basis.

(10) Can the Minister confirm that, after discussing these hazards and safety requirement methods of alleviating them, the safety analysis team, stated "As this safety requirement is tactically based, it does not fully reduce the risk (to high-level passenger-carrying jets) to a level that can be accepted by the Safety Case Panel".

(11) (a) Can the Minister confirm that the safety analysis team report then stated, "Airservices GM Air Traffic Services has accepted the risk"; (b) does this mean that the air traffic safety experts said that the system is unsafe and senior management accepted the risk to high-level passenger-carrying jets; if so, who was the senior officer in Airservices Australia that accepted the risk; (c) what was the information on which that officer based the decision to override the safety team's concerns.

(12) Can copies be provided of all material considered by the senior officer before that officer took the decision to override the safety team's concerns.

(13) (a) How was that decision communicated to the safety panel; (b) when was it communicated; and (c) where is that decision documented.

Senator Ian Macdonald—The Minister for Transport and Regional Services has provided the following answer to the honourable senator's question:

Airservices Australia has provided the following reply:

(1) (a) Yes. Airservices Australia undertook three separate risk assessments for the implementation of the Class G demonstration. These risk assessments were carried out to assess the impact of the proposed Class G changes within the three affected Airservices responsibility areas—the Northern District, Sydney District and Southern District offices of the Air Traffic Services Division. The results of the risk assessments were published in three separate Safety Cases which were prepared by officers within the respective District Offices.

(b) Safety and risk assessments within the respective Safety Cases were conducted by air traffic controllers operating ATC sectors which would be affected by the trial.

(c) The safety case and risk assessments were conducted in accordance with the provisions of Airservices' Safety Management Manual.

(d) Yes.

(i) Assessors responsible for the Northern District Safety Case were located in Brisbane. Assessors for the Sydney District Safety Case were located in Sydney. Assessors for the Southern District Safety Case were located in Melbourne.

(ii) All safety case hazard assessment panel members are air traffic controllers working for Airservices Australia.

(iii) All panel members are licensed air traffic controllers with experience in the areas which would be directly affected by the trial of Class G airspace.

(2) Consultants were not involved in Airservices' Class G Implementation risk assessments.

(a) Not applicable

(b) Not applicable

(c) Not applicable

(d) Not applicable

(3) Work on the Safety Cases commenced in or around September 1998 and, given the nature of Safety Cases, was ongoing when the Class G airspace trial was terminated.

(4) The Panels reported to the operations support areas in each of the Districts.

(5) Yes.

(i) At least one draft of each Safety Case was provided to, or seen by Airservices management in Canberra.

(ii) Any draft reports were provided to the Manager Operational Policy Branch and the Director, Safety and Environment.

(iii) Exact dates of receiving the drafts is not documented, but in the case of the Southern District Safety Case, a draft was received late September; in the case of the Northern District Safety Case a draft was seen early in October; and in the case of Sydney, a draft was not seen until mid-October, due to the deferral of the implementation from 8th October to 22nd October.

(iv) Yes. Comments were provided to Southern District on the structure of their Safety Case. Comments were provided to Sydney and Northern District, requesting that for standardisation, their safety cases be re-structured along the lines of the Southern District Safety Case.

(v) Comments were provided by the Manager Operational Policy Branch and by the Director, Safety and Environment.

(vi) Yes.

(vii) The drafts of all three Safety Cases were changed progressively during their development to incorporate document structure changes, inclusion of alternative mitigation strategies and refinement of risk arguments. The changes were clearly identified and documented in each revised version as part of the document control system.

(6) The three officers responsible for the preparation of the Safety Cases were asked to attend a meeting in Canberra to finalise Safety Cases for an expected implementation of the demonstration on 8th of October.

(a) The officers who attended the meeting were:

the En-route Group Leader, Projects and Standardisation, Southern District; the Operations Support Specialist from Northern District; and an Operational Support Specialist from Sydney.

(b) The officers concerned were asked to attend a meeting by the Manager Operational Policy Branch.

(c) The purpose of the meeting was to ensure that all three safety cases were completed prior to 8th October implementation date and that action was taken on any outstanding items.

(d) The officers concerned met with the Manager Operational Policy Branch.

(e) It was agreed to consider alternatives for some of the proposed mitigations in the hazard log in the Southern District Safety Case. All officers agreed to provide a list of those risks/mitigations which could not, under the provisions of the Airservices' Safety Management Manual, be accepted by the hazard panels, but would require a sign-off by the General Manager, Air Traffic Services Division.

(7) Yes.

(a) The officers responsible for the preparation of the safety cases made any changes to the safety cases.

(b) The changes to all the Safety Cases involved finalisation of the structure of the documents. The Southern District Safety Case was also changed to include alternatives to proposed risk mitigations. Further changes to all three safety cases occurred after 8th October to incorporate a change to SARwatch (Search and Rescue) radio management procedures for Regular Public Transport aircraft.

(c) The changes were made to enhance the risk assessments.

(d) In the case of the Southern District Safety Case, the changes were made prior to full consultation with the risk assessment panel. However, this was rectified with a risk assessment panel meeting held on 15 October. All members attended or were represented and some further changes were made as a result of that meeting.

(e) See 7(d) above.

(8) All Safety analysis teams examined the potential effect of the trial of Class G airspace on all aspects of their workload.

(9) All risk assessments considered mitigations to reduce the potential impact on aircraft operating in controlled airspace. The Southern District risk assessment panel considered the measures referred to in the question but only recommended the provision of extra staff.

(10) The statement must be read in context. The Southern District safety case states on page 6.6:

"6.2.9 Therefore, the safety requirement is that operations will be monitored by extra rostered staff (ie Group Leader and/or Team Leader), and pre-emptive tactical flow management will be taken on the judgement of Group Leader/Team Leader on known and anticipated traffic peaks.

6.2.10 As this safety requirement is tactically based, it does not fully reduce the risk to a level

that can be accepted by the Safety case Panel. This safety requirement reduces the risk to Class B, and therefore to be accepted and implemented requires AsA GM ATS approval, otherwise 6.2.6 and 6.2.7 applies."

(11) (a) Yes.

(b) No. It should be noted that the hazard assessment panels are not necessarily composed of safety experts and in this case the panel comprised licensed air traffic controllers experienced in the areas which were involved in the trial. In accordance with procedures laid down in the Airservices Safety Management Manual, risks are categorised, so that certain levels of risk can be accepted at varying levels in the organisation. In the case of the risk referred to above, the hazard assessment panel determined the risk as category B—in accordance with the Safety Management Manual, this cannot be signed-off by the panel, but can only be accepted by the General Manager Air Traffic Services Division.

(c) The Southern District Safety Case hazard assessment panel's concerns were not overridden. The level of risk was not one which they could accept within the procedures laid down in the Airservices Safety Management Manual.

In accepting the risks which were classified as Category B in all three Safety Cases, the General Manager, Air Traffic Services Division took oral advice from the Manager, Operational Policy Branch, the Manager, Safety and Quality Management, and the Manager, Directorate of Safety and Environment Management.

(12) As indicated in 11(c) above, all the substantive advice provided to the senior officer was done orally.

(13) (a) The decisions of the General Manager, Air Traffic Services Division, in relation to the Risk categorised as Category B, were relayed to the Managers, Northern District, Sydney and Southern District by internal Airservices memorandums.

(b) Advice was provided to Southern District on the 6th October 1998. Given that the implementation was deferred from the 8th October to the 22nd October, and that the Sydney and Northern District Safety Cases were not as advanced as the Southern District Safety Case, advice on Category B risks for Northern District and Sydney was provided on the 21st October.

(c) The decision is included in the Safety Cases for each of the District Offices.

Air Traffic Control Training: Australian Students

(Question No. 179)

Senator O'Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 24 November 1998:

(1) (a) How many air traffic control training courses were conducted in the United Kingdom; and(b)what was the total number of students involved.

(2) How many of these students were successful and are now performing approach control in Australia.

(3) What is happening with the rest of the students who failed to successfully complete their approach training.

(4) Can Airservices Australia advise whether these courses were cost effective.

(5) What has been the success rate of students undertaking similar courses in Australia.

(6) Can Airservices Australia confirm that the reason for conducting these courses in the United Kingdom was a lack of simulator capacity in Australia.

(7) Was Airservices Australia provided with any advice, prior to the commencement of these courses, that the Air Traffic Services Training College in Melbourne did in fact have the capacity to conduct the courses; if so, who provided that advice and why was it rejected.

(8) (a) What process did Airservices Australia follow in assessing the availability of simulator capacity in Australia prior to taking the decision to send students overseas for training; and (b)who undertook this assessment.

(9) (a) What was the cost per student to provide the training in the United Kingdom; and (b)what would have been the cost of providing the same training had this been wholly carried out in Australia.

(10) What was the total cost of training an air traffic controller when all training was provided in Australia.

(11) What was the total cost of training an air traffic controller when part of that training was provided in the United Kingdom.

(12) Did a company named SERCO conduct this training in the United Kingdom.

(13) Is SERCO a bidder to provide air traffic control services at some towers in Australia.

Senator Ian Macdonald—The Minister for Transport and Regional Services has provided the following answer to the honourable senator's question:

Airservices Australia has advised that:

(1) (a) Two.

(b) Twenty four.

(2) Twenty four trainees graduated from the two courses held in the United Kingdom. Five of the graduates from the first course are now working for Airservices as rated approach controllers.

(3) The seven controllers from the first course who did not pass the final field training will be given the opportunity to undertake conversion training as en-route controllers. The twelve controllers from the second course have not yet been rated.

(4) At the time the contract process was commenced, Airservices did not have the capacity to develop and conduct ab initio approach training. Accordingly Airservices undertook an international tender process which resulted in SERCO being selected to undertake the training.

(5) Airservices has not conducted any ab initio training courses specifically for approach controllers in Australia.

(6) No. The reason for conducting the courses in the United Kingdom was the lack of availability, at that time, of suitably qualified staff to develop these training courses, and a lack of capacity at Airservices' ATS Training College to deliver the courses.

(7) The Manager of the College advised that capacity was available at the ATS Training College after the contract was signed with SERCO and before training commenced for the second course. However, contractual obligations meant that the UK course had to continue.

(8) (a) Simulator capacity for training was not the key consideration in deciding to send students overseas.

(b) Not applicable.

(9) (a) The cost per student for the United Kingdom component of the training was approximately $71,000 including travel and allowances.

(b) No ab initio approach courses have been conducted in Australia. However, it has been estimated that if the training done in the UK had been undertaken in Australia the cost would have been around $40,000 per student.

(10) Based on the same assumptions as in 9(b) the cost would have been around $56,000 per student.

(11) Approximately $87,000.

(12) Yes.

(13) The Government is considering the competitive provision of control tower services but this could not occur until the Civil Aviation Safety Authority has developed the necessary operating and licensing standards. SERCO has expressed an interest in bidding for these services should they be opened to competition.

Australian Maritime Safety Authority

(Question No. 180)

Senator O'Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 24 November 1998:

(1) Is it still the policy of the Australian Maritime Safety Authority (AMSA) to use clairvoyants in searches.

(2) Does AMSA issue corporate credit cards to executives; if so, when were these cards first issued and how many executives have been issued with cards.

(3) Are appropriate audit procedures in place, such that unlawful use of a card would be detected.

(4) Who undertakes these audits.

(5) How many incidents of card misuse have been detected and what are the details of each case.

(6) When did each misuse occur and when was it detected.

(7) What action was taken on each occasion in relation to misuse of a card.

(8) Can a copy of the guidelines provided to executives as to the use of the credit cards be provided.

Senator Ian Macdonald—The Minister for Transport and Regional Services has provided the following answer to the honourable senator's question:

It should be noted however, that Part (1) of the question was asked by Senator O'Brien following the Senate Estimates hearing on 5 June 1998. The answer for part (1) is the same as that provided for Senator O'Brien in June.

(1) AMSA does not have a policy of using clairvoyants in searches.

(2) AMSA issues corporate credit cards to staff who may make low value, low risk or emergency purchases. No distinction has been made between corporate credit cards issued to executives or other staff since "purchasing" cards were first issued in AMSA following its establishment in 1991. Seven of AMSA's executives have been issued with such cards.

(3) A sound system of controls exists to minimise the risk of improper use. A review procedure is in place to detect improper use.

(4) Use of credit cards is periodically audited by AMSA's internal auditor currently KPMG. A monthly review of executive transactions is carried out by the Executive responsible for corporate services. That executive does not hold a corporate credit card.

(5) There have been no instances of fraudulent misuse of corporate credit cards detected in AMSA.

(6) N/A

(7) N/A

(8) Relevant guidelines applicable to all corporate credit card holders are attached.

Airservices Australia: Crosswinds Policy

(Question No. 189)

Senator O'Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 24 November 1998:

(1) Did the Bureau of Air Safety Investigation (BASI) report, Systemic Investigation into Factors Underlying Air Safety Occurrences in Sydney Terminal Area Airspace, state:

> The current policy of operating the short runways at Sydney with up to 25 kts of crosswind has reduced safety margins for arriving and departing aircraft and has increased the complexity of the surrounding airspace when some aircraft operationally require an alternative runway for arrival or departure.

(2) Was this policy introduced at the direction of the then Minister as part of the Government's 'noise-sharing' policy.

(3) What action has Airservices Australia taken in regard to the crosswind policy and the nomination of runways in response to the BASI findings.

Senator Ian Macdonald—The Minister for Transport and Regional Services has provided the following answer to the honourable senator's question:

(1) Yes.

(2) No.

I am advised that Airservices has cooperated with CASA in its review of the crosswinds policy at Sydney. CASA's review included discussion with Airservices and airline operators and concluded that:

- Risk increases with increasing crosswind;
- Routinely operating runways with up to 25 knots of crosswind does not pose an unacceptable safety hazard;
- The international standard limit of crosswind for runway nomination for noise abatement purposes is 15 knots;
- Acceptance of a 25 knot limit for runway nomination for operational purposes also implies the same limit is acceptable for noise abatement;
- The pilot in command always has the discretion to reject the nominated runway in favour of another for safety reasons.

I am advised that CASA believes the practice of routinely operating runways with up to 25 knots of crosswind before initiating a change of nominated runway does not pose an unacceptable safety hazard.

Treasury: Conference Expenditure

(Question No. 209)

Senator Faulkner asked the Minister representing the Treasurer, upon notice, on 24 November 1998:

(1) What is the total expenditure on conferences both: (a) in-house, that is, held within the department or agency; and (b) external, held by the department or agencies within the portfolio, on a month-by-month basis since March 1996.

(2) For conferences fully funded by the department and portfolio agencies, and costing in excess of $30 000; (a) where was the venue; (b) what was the reason for each conference; (c) how many participants registered; (d) were consultancy fees paid for the organisation of each conference; (e) to whom were the consultancy fees paid; and (f) what was the cost of each consultancy.

(3) For conferences part-sponsored or part-funded by the department and portfolio agencies and costing the Commonwealth in excess of $30 000: (a) what was the cost to the department or agency; (b) what was the proportion of Commonwealth funding as against the total cost of the conference; (c) what was the rationale for the sponsorship or part-funding; (d) what was the venue; (e) how many participants registered; (f) did the Commonwealth contribute to any consultant organising the conference; if so, who was the consultant; and (g) how much was the Commonwealth's contribution.

Senator Kemp—The Treasurer has provided the following answer to the honourable senator's question:

The Treasury

(1)(a)

1996	Cost $	1997	Cost $	1998	Cost $
Nil	Nil	June	1,531.00	October	1,058.00
TOTAL	$2,589				

(1)(b)

1996	Cost $	1997	Cost $	1998	Cost $
Nil	Nil	November	23,602.05	June	20,225.00
		December	27,657.60	September	4,813.00
				November	8,872.00
				December	32,399.15
Total $	Nil		51,259.65		66,309.15
TOTAL	$117,568.80				

(2) N/a

(3) (a) $8,872.00 (Corporate Governance in APEC: Rebuilding Asian Growth)

(b)-(g) Full details in reply by the Minister representing the Minister for Foreign Affairs, reflecting Commonwealth funding through AusAID.

Royal Australian Mint

(1) Nil

(2) N/a

(3) N/a

Australian Taxation Office

(1)(a)

1996	Cost $	1997	Cost $	1998	Cost $
November	16,236.00	November	120.00	September	7.00
		December	2,834.00	October	11,397.00
				November	10.00
Total	16,236.00		2,954.00		
TOTAL	30,604.00				11,414.00

(1)(b)

1996	Cost $	1997	Cost $	1998	Cost $
March	503.00	February	600.00	January	1300.00
June	11,500.00	June	48,809.00	February	4,817.00
August	1,000.00	July	600.00	March	2,083.00
October	71,950.00	September	5,980.00	April	33,005.00
November	22,254.00	October	22,284.00	May	6,000.00
		December	23,258.00	July	56,780.00
				September	770.00
				October	3,269.00
				November	899.00
				December	44,580.00
Total	107,207.00		101,531.00		153,503.00
TOTAL	$362,241.00				

(2) There were two such conferences:

Conference A.

(a) Country Comfort Inn—Canberra

(b) Internal Audit Conference 1997

(c) 40

(d) No

(e) N/a

(f) N/a

Conference B

(a) Victoria Vist Hotel, Melbourne

(b) National Planning & Change Management Conference for IT Training in the ATO

(c) 48

(d) No

(e) N/a

(f) N/a

(3) There were two such conferences:

Conference A.

(a) $48,500

(b) N/A

(c) N/A

(d) OECD APEC Symposium—Landmark Hotel—Sydney**

(e) 8 ATO attendees

(f) N/a

(g) N/a

Conference B

(a) $30,697

(b) N/a

(c) N/a

(d) PATA Working Party—Brisbane

(e) 11 ATO attendees

(f) N/a

(g) N/a

** International conferences—the costs of which are shared between member countries, the only cost available is the portion contributed to by the ATO.

Australian Bureau of Statistics

(1)(a) Nil

(1)(b)

1996	Cost $	1997	Cost $	1998	Cost $
December	10,000.00	March	14,157.00	June	6,122.40
		June	6,679.40		
Total	10,000.00		20,836.40		6,122.40
TOTAL	$36,958.80				

(2)

(a) Wrest Point Convention Centre, Hobart

(b) Australia's turn to host the biennial conference of the Asia-Pacific Commission on Agricultural Statistics.

(c) 65

(d) No

(e) Mures Convention Management, Hobart

(f) $3,575.00

(3) N/a

Australian Prudential Regulation Authority

(1)

1996	Cost $	1997	Cost $	1998	Cost $
Nil	Nil	Nil	Nil	July	3,800.00
				August	594.00
				September	3000.00
				November	4,398.00
Total					11,792.00
TOTAL	$11,792.00				

(2) N/a

(3) N/a

Australian Securities & Investments Commission

(1)(a) Nil

(1)(b)

1996	Cost $	1997	Cost $	1998	Cost $
March	5,944.00	April	2,411.00	March	14,916.50
May	330.00	October	8,003.00	May	29,010.00
July	256.00			June	11,233.60
Total	6,530.00		10,414.00		55,160.10
TOTAL	$72,104.10				

(2) N/a

(3) N/a

Productivity Commission

(1)(a) Nil

(1)(b)

1996	Cost $	1997	Cost $	1998	Cost $
September	3,500.00	February	32,585.00	February	33,248.00
November	1,000.00	June	10,000.00	June	11,000.00
		September	1,500.00	September	1,500.00
		November	1,000.00		
Total	4,500.00		45,085.00		45,748.00
TOTAL	$95,333.00				

(2) There were two such conferences:

Conference A.

(a) Jack Ryder Room, Great Southern Stand, Melbourne Cricket Ground

(b) To contribute to the development of the Commissions's labour market research program through a workshop which brought together a range of perspectives on labour market issues and provided a forum in which these could be discussed by researchers and practitioners. To assist public understanding of these issues through the publication of the conference proceedings.

(c) 69

(d) No

(e) N/a

(f) N/a

Conference B

(a) The Hall, University House, Australian National University

(b) To bring together experts in the relevant fields to examine and discuss the links between microeconomic reform, productivity and growth in an economy-wide context by focussing on: the measurement and interpretation of productivity growth in the context of microeconomic reform; the effects of microeconomic reforms on productivity growth in different countries, and within Australia, on different industries; and the effects of microeconomic reform and productivity growth on labour markets. To assist public understanding of these issues through the publication of the conference proceedings.

(c) 84

(d) No

(e) N/a

(f) N/a

(3) N/a

Australian Competition and Consumer Commission

(1)(a)

1996	Cost $	1997	Cost	1998	Cost
August	5,000.00	February	13,338.00	January	2,000.00
		March	22,884.00	April	550.00
		April	6,092.00	November	5,398.00
		May	1,700.00	December	18,940.00*
		July	5,800.00		
		September	3,400.00		
		November	17,028.00		
TOTAL	5,000.00		70,242.00		2,550

* Costs $48,940, receipts $30,000.

(1)(b) Nil

(2) N/a

(3) N/a

Department of Transport and Regional Services: Conference Expenditure

(Question No. 210)

Senator Faulkner asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 25 November 1998:

(1) What is the total expenditure on conferences both: (a) in-house, that is, held within the department or agency; and (b) external, held by the department or agencies within the portfolio, on a month-by month basis since March 1996.

(2) For conferences fully funded by the department and portfolio agencies, and costing in excess of $30,000: (a) where was the venue; (b) what was the reason for each conference; (c) how many participants registered; (d) were consultancy fees paid for the organisation of each conference; (e) to whom were the consultancy fees paid; and (f) what was the cost of each consultancy.

(3) For conferences part-sponsored or part-funded by the department and portfolio agencies and costing the Commonwealth in excess of $30 000: (a) what was the cost to the department or agency; (b) what was the proportion of Commonwealth funding as against the total cost of the conference; (c) what was the rationale for the sponsorship or part-funding; (d) what was the venue; (e) how many participants registered; (f) did the Commonwealth contribute to any consultant organising the conference; if so, who was the consultant; and (g) how much was the Commonwealth's contribution.

Senator Ian Macdonald—The Minister for Transport and Regional Services has provided the following answer to the honourable senator's question:

The answers below summarise the available information. I have not included figures for the then Federal Airports Corporation nor for all of the Corporate Division of my Department in these answers as I am not prepared to authorise staff to allocate resources to compile the required information.

1 (a) Table 1: Expenditure on in-house conferences since March 1996

Month	Expenditure per conference ($)
Dec-97	850
Jul-98	300

(b) Table 2: Expenditure on external conferences since March 1996

Month	Expenditure per conference ($)	Month	Expenditure per conference ($)
Mar-96	1,402	Jul-97	150
	44,864*		6,946*
Apr-96	2,322	Aug-97	5,500

Month	Expenditure per conference ($)	Month	Expenditure per conference ($)
	24,298*		34,338*
May-96	80,917	Sep-97	29,500
	47,722*		34,383*
Jun-96	8,193	Oct-97	24,950
	96,303*		20,450
Aug-96	15,557*		13,565
Sep-96	49,829*		42,036*
Oct-96	290	Nov-97	21,650
	12,829		9,650
	29,085		22,050
	14,721*		67,639*
Nov-96	883	Dec-97	600
	19,236		19,308*
	17,150	Jan-98	9,394*
	86,597*	Feb-98	14,742*
Dec-96	22,614*	Mar-98	40,567*
Jan-97	17,533*	Apr-98	2,421
Feb-97	22,505*		59,267*
Mar-97	10,644	May-98	9,660
	28,458		27,210
	28,911		29,306*
	41,507*	Jun-98	49,785*
Apr-97	25,121*	Jul-98	326
May-97	39,097*		2,242
Jun-97	9,500		42,700*
	100,172*	Sept-98	45,000

* Airservices Australia's conference expenditure per month up to July 1998. I am not prepared to authorise Airservices Australia to allocate resources to obtain the per conference costs or costs incurred since July 1998.

Note: Expenditure for the Civil Aviation Safety Authority (CASA) since July 1998 is not included. I am not prepared to authorise CASA to allocate resources to obtain this information.

(2) Neither the Department nor the portfolio agencies fully funded any conferences costing in excess of $30,000.

(3) Table 3: Conferences part-sponsored by the Department costing in excess of $30,000

	Enhanced Safety in Vehicles Conference, May 1996	National Road Safety Summit, September 1998
(a)	$80,917	$45,000
(b)	9.95% (total cost $805,204)	34.44% (total cost $130,647)
(c)	This Conference provided the opportunity to promote Australia's vehicle safety initiatives on the world stage and to exchange world-wide motor vehicle safety knowledge to help reduce the effects of road trauma, assess developments and set new directions. The Department was the coordinating body for the Conference which was the first Enhanced Safety Vehicles Conference held in the Southern Hemisphere.	Sponsorship funding was sought to contain total costs of the Summit and help keep the cost of attendance for delegates as low as possible to encourage wide community participation.
(d)	World Congress Centre, Melbourne	National Convention Centre, Canberra

	Enhanced Safety in Vehicles Conference, May 1996	National Road Safety Summit, September 1998
(e)	508 delegates; 119 accompanying persons	293 delegates
(f)	Nil direct contribution; consultant: Tour Hosts Pty Ltd	Yes; consultant: Australian Travel & Convention Services
(g)	Nil direct contribution as the Conference receipts covered the consultant's costs.	$20,785

Department of Family and Community Services: Conference Expenditure

(Question No. 211)

Senator Faulkner asked the Minister for Family and Community Services, upon notice, on 24 November 1998:

What is the total expenditure on conferences both: (a) in-house, that is, held within the department or agency; and (b) external, held by the department or agencies within the portfolio, on a month-by-month basis since March 1996.

(2) For conferences fully funded by the department and portfolio agencies, and costing in excess of $30,000; (a) where was the venue; (b) what was the reason for each conference; (c) how many participants registered; (d) were consultancy fees paid for the organisation of each conference; (e) to whom were the consultancy fees paid; and (f) what was the cost of each consultancy.

(3) For conferences part-sponsored or part-funded by the department and portfolio agencies and costing the Commonwealth in excess of $30,000: (a) what was the cost to the department or agency; (b) what was the proportion of Commonwealth funding as against the total cost of the conference; (c) what was the rationale for the sponsorship or part-funding; (d) what was the venue; (e) how many participants registered; (f) did the Commonwealth contribute to any consultant organising the conference; if so, who was the consultant; and (g) how much was the Commonwealth's contribution.

Senator Newman—The answer to the honourable senator's question is as follows:

(1) (a)

February 1997	$1,100
March 1997	$2,400
June 1997	$800
August 1997	$2,000
September 1997	$600
December 1997	$1,800
March 1998	$1,200
May 1998	$1,900
June 1998	$1,000
November 1998	$2,500

(b)

July 1997	$23,000
September 1997	$10,000
December 1997	$34,200
February 1998	$7,919
March 1998	$7,838
September 1998	$4,660
October 1998	$83,000
November 1998	$77,160

(2) (a) Hotel Heritage, Canberra, October 1998

(b) To discuss a wide range of options for extending quality assurance to family day care services

(c) 30

(d) No.

(e) Not applicable.

(f) Not applicable.

(3) (a) $38,000 (part-sponsored).

(b) Commonwealth funding supported the cost of travel for participants who are working in Commonwealth funded services, but no Commonwealth funding contributed to the running costs of the conference.

(c) Under Child Care Quality support, funding may be made available for National and State Conferences that are closely related to the aims of the Family and Children's Services Program. Funding assists the attendance of participants who are working in Commonwealth funded services by providing a subsidy for travel costs.

(d) The Bardon Conference Centre, Brisbane.

(e) Information not available. Report not due until 28/2/99.

(f) No.

(g) Not applicable.

(2) (a) Australian National University

The aim of the conference was to promote Australian understanding and analysis of behavioural issues in relation to the welfare system, by drawing on international experience in the use of longitudinal data and its application to the Australian context.

(b) 150

(c) Yes

(d) Australian National University

(e) $10,000

(3) (a-g) Not applicable.

Additional Notes for the Australian National University conference

. All dollar figures have been rounded up to the nearest hundred.

. The answers in Part 1(a) from February 1997 to June 1998 refer to the DSS Seminar Series, where guest speakers were invited to Tuggeranong Office Park to present papers to Departmental staff and other invited guests.

. These figures are approximations based on available information.

. The answer in Part 1(b) (November 1998) is an estimate at this stage. The conference was held on 24-25 November 1998 and final invoices have not yet been received.

Department of Transport and Regional Services: Value of Market Research

(Question No. 223)

Senator Robert Ray asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 26 November 1998:

(1) What was the total value of market research sought by the department on a month-by-month basis between March 1996 and November 1998.

(2) What was the purpose of each contract let.

(3) In each instance, what was the involvement or otherwise of the Office of Government Information and Advertising.

(4) In each instance; (a) how many firms were invited to submit proposals; and (b) how many tender proposals were received.

(5) In each instance, which firm was selected to conduct the research.

(6) In each instance, what was the estimated or contract price of the research work and what was the actual amount expended by the department.

Senator Ian Macdonald—The Minister for Transport and Regional Services has provided the following answer to the honourable senator's question:

(1) The total value of market research sought by the Department of Transport and Regional Services on a month-by-month basis between March 1996 and November 1998 is provided in the table below:

Month	Total Value ($)*	Month	Total Value ($)*	Month	Total Value ($)*
Jun-96	38,240	Feb-97	25,729	Jun-98	58,469
Aug-96	14,880	Mar-97	6,750	Jul-98	3,141
Oct-96	7,345	May-97	33,500	Aug-98	35,000
Nov-96	7,000	Jun-97	94,626	Sep-98	20,799
Dec-96	11,160	May-98	31,122	Nov-98	21,898

* To the nearest dollar.

Note: nil expenditure for each month not listed

Answers to (2), (4), (5) and (6) are provided in the table below:

Contract	(2)Purpose of each contract	4(a) Number of firms invited to submit proposals	4(b) Number of tender proposals received	(5)Selected Firm	(6) Contract price/ amount expended (to nearest $)
1	Concept development and evaluation of Speed campaign	4	4	AMR Quantum	37,200/37,200
2	Evaluate 1997 Young Drivers campaign	1—The consultant had been previously selected from competitive shortlist in 1994 and was contracted on this occasion given satisfactory performance of earlier work and the need to continue with the same methodology for comparative results.	1	Worthington Di Marzio	35,000/35,000
3	Development of pilot drink drive campaign	4	4	Stancombe Reasearch	39,069/15,414* *remaining expenditure before March 1996.
4	Test creative concept for Rural Speed campaign	1—The consultant was contracted without a competitive tender due to their known expertise in the field and their ability to complete the task in the given timeframe.	1	Elliott & Shanahan	30,000/30,000
5	Evaluation of the Federal Office of Road Safety (FORS) Rural Speed campaign	4	4	Eureka Strategic Research	42,636/30,000
6	Market research Driver Fatigue campaign	3	2	Geoff Minter	45,000/47,252
7	Market research into community attitudes on road safety	5	4	Stancombe Research	49,770/36,829
8	Omnibus survey of community attitudes to road safety	3	3	Newspoll Market Research	5,863/5,863
9	Survey and analysis work in the FORS' annual series of Community Attitudes Surveys (CAS)	In 1995, 9 firms were invited to submit proposals to undertake surveys in the CAS series over the next 3 years.	6	Taverner Research Company	Jun-96: 38,240/38,240Jun-97: 40,740/ 41,640Jun-98: 42,340/ 45,175
10	Omnibus survey of community attitudes to assess options for the tagline for the Regional Australia Strategy	1	1	Newspoll Market Research	3,141/3,141
11	Formative research to shape the Regional Australia Strategy communications approach	1- based on advice from OGIA	1	AMR Quantum Harris	35,000/35,000

(3) Contracts 1-9 (above): Advice was obtained from the then Office of Government Information and Advertising (OGIA) on appropriately qualified market research providers for inclusion, in some cases, in the short list of tenderers approached to submit research proposals.

Contract 10 (above): OGIA was not involved as this was an omnibus survey conducted by Newspoll for which prices are standard and which met the Department's timing needs.

Contract 11 (above): OGIA was involved in the development of, and obtaining the clearance of the Ministerial Committee on Government Communications for, the Regional Australia Strategy.

Department of Family and Community Services: Contracts to Worthington Di Marzio

(Question No. 243)

Senator Robert Ray asked the Minister for Family and Community Services, upon notice, on 25 November 1998:

(1) What contracts has the department, or any agency of the department, provided to the firm Worthington Di Marzio since March 1996.

(2) In each instance what was the purpose of the work conducted by Worthington Di Marzio.

(3) In each instance what has been the cost to the department of the contract.

(4) In each instance what selection process was used to select Worthington Di Marzio (open tender, short list or some other process).

Senator Newman—The answer to the honourable senator's question is as follows:

(1) The Department of Family and Community Services entered into one contract with Worthington Di Marzio for the Direct Deductions Survey.

Centrelink has entered into three contracts with the firm of Worthington Di Marzio since March 1996.

- Evaluation of National Forms SC1 Claim for Family Payment & RA14 Remote Area Allowance Form—May 1997
- Letters Improvement Project- May 1997
- Letters Improvement Project- May 1998

(2) The purpose of the Direct Deduction Survey was to obtain information from Family Allowance customers about the attitudes to the possibility of deductions from Family Allowance to pay a range of household expenses, including rent.

The purpose of the Centrelink project—Evaluation of National Forms SC1 Claim for Family Payment & RA14 Remote Area Allowance Form, was to test the effectiveness of forms with customers and staff and comprised both qualitative and quantitative research including fieldwork.

The purpose of the Centrelink project—Letters Improvement Project (LIP) May 1997 was to assess how important letters from the Commonwealth Services Delivery Agency (Centrelink) were to customers and to identify customer needs and staff views regarding letters.

The Centrelink project Letters Improvement Project May 1998 was a follow up project resulting from the May 1997 LIP contract. The purpose was to assess customer reactions and views to a new markedly different format for Centrelink letters.

(3) The Direct Deductions Survey cost the Department of Family and Community Services $63,944.45.

The cost to Centrelink for each of the three contracts was:

$62,098—Evaluations of National Forms SC 1 and RA14

$125,150—Letters Improvement Project 1997.

$9,000—Letters Improvement Follow up Project 1998,

(4) Department of Family and Community Services Worthington Di Marzio was selected following a select tender process.

Centrelink The selection processes used were competitive tenders issued to selected firms for both the evaluation of National forms SCI and RA14 and the initial letters improvement project. The follow up contract for the LIP was confined to Worthington Di Marzio as a result of the previous engagement in May 1997.

Department of Foreign Affairs and Trade: Contracts to Canberra Liaison

(Question No. 269)

Senator Robert Ray asked the Ministers for Foreign Affairs and Trade, upon notice, on 25 November:

(1) What contracts has the department, or any agency of the department, provided to the firm Canberra Liaison since March 1996.

(2) In each instance what was the purpose of the work conducted by Canberra Liaison.

(3) In each instance what has been the cost to the department of the contract.

(4) In each instance what selection process was used to select Canberra Liaison (open tender, short list or some other process).

Senator Hill—The Minister for Foreign Affairs and the Minister for Trade have provided the following information in answer to the honourable senator's question:

(1) None

(2) N/A

(3) N/A

(4) N/A

Department of Employment, Workplace Relations and Small Business: Canberra Liaison

(Question No. 274)

Senator Robert Ray asked the Minister representing the Minister for Employment, Workplace Relations and Small Business, upon notice, on 26 November 1998:

(1) What contracts has the department, or any agency of the department, provided to the firm Canberra Liaison since March 1996.

(2) In each instance what was the purpose of the work conducted by Canberra Liaison.

(3) In each instance what has been the cost to the department of the contract.

(4) In each instance what selection process was used to select Canberra Liaison (open tender, short-list or some other process).

Senator Alston—The Minister for Employment, Workplace Relations and Small Business has provided the following answer to the honourable senator's question:

(1) None.

(2) N/A

(3) N/A

(4) N/A

Department of Agriculture, Fisheries and Forestry: Contracts to Canberra Liaison

(Question No. 282)

Senator Robert Ray asked the Minister representing the Minister for Agriculture, Fisheries and Forestry, upon notice, on 26 November 1998:

(1) What contracts has the department, or any agency of the department, provided to the firm Canberra Liaison since March 1996.

(2) In each instance what was the purpose of the work conducted Canberra Liaison.

(3) In each instance what has been the cost to the department of the contract.

(4) In each instance what selection process was used to Canberra Liaison (open tender, short list or some other process).

Senator Alston—The Minister for Agriculture, Fisheries and Forestry has provided the following answer to the honourable senator's question:

(1) Nil

(2) Nil

(3) Nil

(4) Nil

Treasury: Market Research Report

(Question No. 287)

Senator Robert Ray asked the Minister representing the Treasurer, upon notice, on 25 November 1998:

(1) On what day was the market research report, Community views regarding tax reform and strategic guidance for a communications campaign, prepared by Worthington Di Marzio and numbered 98/05/2198, received by the Taxation Policy Division.

(2) To whom specifically was this report made available and when.

Senator Kemp—The Treasurer has provided the following answer to the honourable senator's question:

(1) The market research report, Community views regarding tax reform and strategic guidance for a communications campaign was due to be received on 3 June 1998. It was received by the Taxation Policy Division at or around that date.

(2) Refer to answer to Question No. 292.

Department of Family and Community Services: Unauthorised Disclosures: Investigations

(Question No. 325)

Senator Robert Ray asked the Minister for Family and Community Services, upon notice, on 2 December 1998:

(1) On how many occasions did the department refer unauthorised disclosures to the Australian Federal Police between March 1996 and October 1998.

(2) In each instance where an investigation has been undertaken has that investigation been concluded.

(3) Have any officers been charged with offences relating to unauthorised disclosures that occurred during this period; if so, how many.

Senator Newman—The answer to the honourable senator's question is as follows:

(1) Very few privacy/confidentiality allegations are referred to the Australian Federal Police for investigation as Centrelink officers have the skills

and resources to effectively investigate the majority of allegations. Centrelink officers refer substantiated cases directly to the Director of Public Prosecution for consideration of prosecution action.

The majority of cases referred to the Australian Federal Police for investigation are cases involving unauthorised access to Commonwealth information and attempted soliciting of information.

During the 1995 to 1998 financial years a total of 20 cases of privacy/confidentiality allegations were referred to the Australian Federal Police for investigation.

(2) No cases of unauthorised disclosures are under investigation by the Australian Federal Police.

(3) During the 1995 to 1998 financial years there were no departmental or Centrelink officers charged by the Australian Federal Police with offences relating to unauthorised disclosure of information.

Department of Health and Aged Care: Unauthorised Disclosures Investigation

(Question No. 328)

Senator Robert Ray asked the Minister representing the Minister for Health and Aged Care, upon notice, on 3 December 1998:

(1) On how many occasions did the Department refer unauthorised disclosures to the Australian Federal Police between March 1996 and October 1998.

(2) In each instance where an investigation has been undertaken has that investigation been concluded.

(3) Have any officers been charged with offences relating to unauthorised disclosures that occurred during this period; if so, how many.

Senator Herron—The Minister for Health and Aged Care has provided the following answer to the honourable senator's question:

(1) The Department referred one case to the Australian Federal Police for investigation.

(2) The investigation by the AFP has been concluded.

(3) No officers have been charged in relation to unauthorised disclosure of information.

Code Division Multiple Access: Timetable Extension

(Question No. 335)

Senator Bourne asked the Minister for Communications, Information Technology and the Arts, upon notice, on 2 December 1998:

(1) What will be the impact of the extension on the timetable for the code division multiple access (CDMA) rollout and can consumers be guaranteed that the CDMA rollout will coincide with the AMPS closure.

(2) Will the CDMA rollout cover the actual 'fortuitous' coverage of the AMPS system, or only its 'actual' coverage.

(3) What will be the costs to consumers of handsets, call charges, and packages that consumers are likely to incur.

(4) (a) Will Telstra and other carriage service providers be offering existing analogue customers a discounted rate of exchange in their conversion to CDMA technology, as they are for conversion to digital; and (b) will they receive exemptions from number charges.

(5) Will carriage service providers extend a discounted conversion rate to any of their digital customers.

(6) (a) How has the staged closure of the remaining analogue base stations been identified; and (b) is the staggered closure going to guarantee extended services to those analogue mobile phone users who are least likely to get access to global systems for mobile telephone services.

(7) In order to better service Australians in rural and remote communities, is the Government considering including mobile telephony into the universal service obligation in recognition of the high usage of mobile telephony in Australia, or at least bringing mobile telephony under a price cap regime.

Senator Alston—The answer to the honourable senator's question is as follows:

(1) The Government has reached an agreement with Telstra, Optus and Vodafone to ensure that all areas of regional Australia which currently receive analogue AMPS mobile phone coverage will continue to enjoy a reasonably equivalent digital coverage when the AMPS service is phased out. The extension of the cut off date for the AMPS closure in some areas will allow a smooth transition to new digital services to occur.

A licence condition has been imposed on Telstra requiring it to provide reasonably equivalent digital coverage to the existing analogue AMPS services by 31 December 2000. The licence condition also requires that Telstra cease providing AMPS services within 90 days of commencing the supply of the alternative digital service in the relevant area.

(2) The Australian Communications Authority, in its review of analogue AMPS regional coverage conducted in 1998 identified that 'robust fortuitous coverage' of AMPS services is available in some areas beyond Telstra's official service coverage. The Government has included in the licence condition obligation on Telstra reference that the assessment of 'reasonably equivalent coverage'

would be primarily informed by the ACA's report findings.

(3) Telstra has advised that CDMA handsets will be similar in size and appearance to GSM digital units, and their price, connection costs, call charges and access plans would be competitive with other digital phone charges. However, details of pricing will not be available until closer to the launch of the CDMA network. How and when other telecommunications companies introduce CDMA will also be a commercial decision for those companies.

(4) (a) As for 3 above, Telstra has indicated that it intends to offer incentives, but details are considered to be commercial-in-confidence at this time.

(b) Telstra has advised that it does not apply number charges, however, network access fees will apply.

(5) Carriage service providers offering mobile phone services will make decisions regarding service charges in the normal commercial operating environment.

(6) (a) Telstra is to close the analogue AMPS network in the five major Australian capital cites and an additional 130 regional sites on 31 December 1999 (the list of 130 regional sites is attached). Of the remaining regional sites at least 50 per cent will close by 30 June 2000, and the rest by 31 December 2000.

The first 130 designated regional AMPS base stations to close have been identified by Telstra with the agreement of Optus and Vodafone.

(b) AMPS services may cease at a designated regional AMPS site within 90 days of commencing to supply an alternative digital mobile telecommunications service which has a coverage reasonably equivalent to the AMPS services provided by that site, or by 31 December 1999, which ever is later.

The premise of this question—namely, that customers who lose access to analogue services will need to receive replacement services from the GSM (global system for mobile) network—is mistaken. The replacement coverage will be provided by Telstra's new CDMA network (except in areas where GSM already provides reasonably equivalent coverage to AMPS and hence no replacement is required).

Telstra will conduct its CDMA rollout in a manner which ensures a seamless transition to digital mobile services for customers who use analogue AMPS.

(7) The Government does not propose to include mobile telephony as part of the services required to be provided under the universal service regime.

The Standard Telephone Service Review undertaken in 1996 recommended against including mobiles in the USO.

Mobile telephone services provided by Telstra are currently included in a basket of services that is subject to a price-cap. Other services included in the basket are connection and line rental charges, local, trunk and international calls, and domestic and international leased lines. Telstra cannot increase prices for this basket beyond the annual increase in the CPI over the previous year less 7.5 percentage points, ie the revenue-weighted average price for the basket must fall by 7.5% annually in real terms. Price increases of greater than CPI for services in the basket, including mobile services, require the consent of the ACCC and should be cost justified. The current price control arrangements have been extended to 30 June 1999 pending further consultation on the arrangements to apply from 1 July 1999.

The prices of services, including mobile telephone services, supplied by carriage service providers other than Telstra are not subject to price control arrangements, except the general restrictions on anti-competitive pricing imposed by the Trade Practices Act 1974. The Government considers that competitive forces, together with regulation of Telstra's prices where competition is not fully effective, are sufficient to restrain the prices charged by other service providers.

Abstudy: Advance Payments

(Question No. 339)

Senator Stott Despoja asked the Minister representing the Minister for Education, Training and Youth Affairs, upon notice, on 3 December 1998:

(1) Is the Minister aware that the ABSTUDY payment is not listed on the eligible payments for 'advance payments' on Centrelink's 'Application for Advance Payment' form (ss352.9807).

(2) Are those in receipt of ABSTUDY payment eligible for advance payments; if not, why is the ABSTUDY payment not eligible; if so, why is this not on the advance payment application form.

(3) Will the Minister ensure that the correct information is provided to ABSTUDY recipients on the current advance application form and will there by any effort to advise ABSTUDY recipients of their eligibility for this payment: if not, why not.

Senator Ellison—The Minister for Education, Training and Youth Affairs has provided the following answer to the honourable senator's question:

(1) Yes.

(2) No. In 1999, students eligible for the ABSTUDY living allowance are not entitled to an 'advance payment'. The 'advance payment' payable under some income support schemes, is essentially

an interest free loan of $250 to $500 per year which is repaid from future income support payments. Recipients of ABSTUDY are eligible for a range of additional benefits to assist with the costs of education. ABSTUDY recipients are also eligible for the ABSTUDY Financial Supplement loan.

(3) Given the alternative assistance available to ABSTUDY recipients, there is no proposal to also make access to an 'advance payment' available in 1999.

Airspace Trial

(Question No. 342)

Senator O'Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 8 December 1998:

(1) (a) Have air traffic control sectors responsible for the Class G airspace trial in Brisbane been told by Airservices Australia in Canberra to provide a service identical to the old "directed traffic information" service that applied prior to the Class G airspace procedures; and (b) were the air traffic controllers issued with a formal, that is, written direction to this effect; if so, can a copy of the formal direction be provided; if not, why was no formal direction issued.

(2) What is the minimum altitude over Williamtown for detection of an aircraft by radar, as seen by the air traffic controllers at Brisbane.

(3) What is the minimum altitude over Taree for detection of an aircraft by radar, as seen by air traffic controllers at Brisbane.

Senator Ian Macdonald—The Minister for Transport and Regional Services has provided the following answer to the honourable senator's question:

Airservices Australia has advised that:

(1) (a) No.

(b) Not applicable.

(2) The altitude at which aircraft are detected varies as a result of a number of factors, including which radar is assigned to a particular area, the type of aircraft, the position of the transponder aerial on the aircraft, the attitude of the aircraft, whether it is climbing or descending, atmospheric conditions etc. Operational experience shows that in some instances aircraft are detected as low as about 3000 feet in the Williamtown areas, whilst in other cases, radar contact may be lost below 7000 feet.

(3) Taree is in a similar situation to Williamtown with respect to radar coverage and the response to part (2) is also applicable to Taree.

Diseases: International Notification

(Question No. 381)

Senator O'Brien asked the Minister representing the Minister for Agriculture, Fisheries and Forestry, upon notice, on 15 December 1998:

(1) (a) On how many occasions since March 1996 has the United States of America (US) advised Australia of the outbreak of an economically important disease, or the presence of a pest, that may present a danger; and (b) were these declarations made under the provisions of the World Trade Organisation agreement; if so, under what provisions were these declarations made; if not, what was the legal basis for these declarations.

(2) (a) When was each outbreak detected by US authorities; (b) what was the nature of the outbreak; and (c) when was Australia notified of the outbreak.

(3) If trade was suspended: (a) was the suspension imposed by Australia or by the US; and (b) how long was each suspension in place.

(4) What process was followed while the suspension was in place to satisfy Australia that the disease or pest, no longer presented a risk.

Senator Alston—The Minister for Agriculture, Fisheries and Forestry has provided the following answer to the honourable senator's question:

(1) (a) The US has advised Australia of the outbreak of an economically important disease, or the presence of a pest, that may present a danger on at least 23 occasions since March 1996.

(b) All notifications of animal pests and diseases detected in the US since March 1996 were made in a manner that was consistent with the provisions of the World Trade Organisation (WTO) agreement, in accordance with the International Office of Epizootics (OIE) International Animal Health Code

All notifications of plant pests and diseases detected in the US since March 1996 were made to Australia on a direct bilateral basis, in the spirit of the revised International Plant Protection Convention (IPPC), which places increased emphasis on co-operative reporting of the occurrence, outbreak and spread of plant pests and diseases and recommends that such reporting be carried out on a bilateral basis by agreement between the relevant trading countries.

(2) (a) Definitive data on the dates of each outbreak detection by US authorities are not held in the Department of Agriculture, Fisheries and Forestry.

(b) & (c). The nature of each outbreak and the date of notification to Australia are as follows:

what was the nature of the outbreak	When was Australia notified of the outbreak
Karnal bunt in Arizona (and subsequently New Mexico, Texas and California)	14/3/96
Newcastle disease in Missouri	24/7/96
Citrus Canker in Broward County, Florida	31/8/98
Citrus Canker in Manatee County, Florida	16/6/97
Vesicular stomatitis in Arizona	6/6/97
Citrus Canker in Collier County Florida	31/8/98
Oriental fruit fly in Los Angeles and San Diego Counties, California	4/9/97
Mediterranean fruit fly in Los Angeles County, California	8/10/97
Contagious equine metritis in Sacramento County, California	31/12/97
Mediterranean fruit fly in Dade County, Florida	3/4/98
Mediterranean fruit fly in Lake County, Florida	1/5/98
Newcastle disease in Fresno, California	8/6/98
Mediterranean fruit fly in Manatee Count	21/5/98
Vesicular stomatitis in New Mexico	5/98
Mediterranean fruit fly in Hillsborough County, Florida	3/6/97
Mediterranean fruit fly in Highlands County, Florida	22/7/98
Mediterranean fruit fly in Orange County, Florida	26/8/98
Mediterranean fruit fly in San Diego County, California	4/8/98
Mediterranean fly in Riverside County, California	29/10/98
Mediterranean fruit fly in Orange County, Florida	10/12/98
Mexican fruit fly in San Diego County, California	24/10/98
Olive fruit fly in Los Angeles County, California	13/11/98
Mexican fruit fly in San Diego County, California	24/10/98

(3) Trade suspensions have occurred twice since March 1996. The first occasion was in response to the detection of Karnal bunt in Arizona in March 1996. Australia imposed a trade suspension on 24/3/96 for bulk grain shipments, bulk processed stockfeed meals, used farm machinery and fertilisers from the US. With the exception of used complex farm machinery, the suspension of other commodities was progressively lifted as information was provided by US authorities to AQIS. Imports of used complex farm machinery from USA and other karnal bunt affected countries remain suspended due to the difficulties associated with cleaning.

The second occasion was in response to a Mexican fruit fly outbreak in San Diego County, California in 1998. Australia imposed a trade suspension on 28/10/98 for fresh fruit produce from the US. The suspension was lifted on 30/10/98.

(4) When trade suspensions are placed on the US or any other country, consignments of the suspended items are not permitted entry into Australia. No further permits to import suspended items are issued by AQIS, and current permit holders are requested not to import suspended items as they will not be released from quarantine on arrival in Australia. Items in transit at the time of the suspension and subsequently landed will generally be held subject to quarantine in approved secure facilities, pending the provision of technical and other information to allow a thorough assessment of risk posed by the items in question. Following an appropriate risk assessment, based on the provision of technical data and other information, if AQIS is satisfied with the quarantine security of suspended items, the suspension is lifted, consignments held in quarantine are released and exports to Australia of the items in question may resume.

Airservices Australia: Community Service Obligations

(Question No. 387)

Senator O'Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 17 December 1998:

(1) What was the value of the appropriations for Airservices Australia's (ASA) community service obligations (CSOs) in the 1996-97, 1997-98 and 1998-99 financial years.

(2) What was the actual expenditure by ASA to meet the CSOs in the 1996-97, and 1997-98

financial years and so far in the 1998-99 financial year.

(3) If there was a difference between the level of funding appropriated and the level of funds expended in the years in paragraphs (1) and (2), what were the reasons for the difference.

(4) What functions performed by ASA attract CSO funding.

(5) What was the level of funding allocated to each function in the financial years in paragraphs (1) and (2).

Senator Ian Macdonald—The Minister for Transport and Regional Services has provided the following answer to the honourable senator's question:

(1) Total appropriation for Airservices community service obligations in 1996-97, was $9.218m in respect of Search & Rescue. Search & Rescue was transferred to AMSA in July 1997 and no further contributions to community service obligations were paid to Airservices Australia in 1997-98 and 1998-99.

(2) Airservices Australia has advised that the fully allocated cost of Search & Rescue in 1996-97 was $10.518m.

(3) Airservices Australia has advised that the shortfall of $1.3m represents overhead costs over and above the avoidable cost of Search and Rescue.

(4) The only function previously performed by Airservices which attracted CSO funding was provision of Search & Rescue.

(5) Refer to reply to part (1).

While not defined as CSO funding, it should be noted that the Government is providing $11 million to Airservices Australia in 1998-99 to allow a progressive introduction of location specific charges for terminal navigation services at general aviation and several regional airports.

Aircraft VH-AQL: Disappearance

(Question No. 399)

Senator Brown asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 9 February 1999:

With reference to an incident on 8 September 1972, in which Max Price and co-pilot Brenda Hean disappeared and were presumed dead when their Tiger Moth, taking off from Hobart, never arrived and an answer to question on notice number 855 (Senate *Hansard*, 10 November 1997, p8678) which states that 'the last reported sighting, by a witness at Eddystone Point, indicates that the aircraft was then flying at an altitude of about 2 000 feet and appeared to be operating normally':

(1) Can a copy be provided of the report of the last reported sighting of the Tiger Moth.

(2) What is the name of the witness who made the last sighting.

(3) Can detail be provided of the time and place that the sighting occurred.

Senator Ian Macdonald—The Minister for Transport and Regional Services has provided the following answer to the honourable senator's question:

(1) and (2) The Bureau of Air Safety Investigation cannot provide the details sought in questions 1 & 2. Section 5.12 of Annex 13 to the Convention on International Civil Aviation (International Civil Aviation Organisation) states:

> "The State conducting the investigation of an accident or incident, wherever it occurred, shall not make the following records available for purposes other than accident or incident investigation, unless the appropriate authority for the administration of justice in that State determines that their disclosure outweighs the adverse domestic and international impact such action may have on that or any future investigation:
>
> (a) All statements taken from persons by the investigation authorities in the course of their investigation;
>
> (b) All communications between persons having been involved in the operation of the aircraft;
>
> (c) Medical or private information regarding persons involved in the accident or incident;
>
> (d) Cockpit voice recordings and transcripts from such recordings; and
>
> (e) Opinions expressed in the analysis of information including flight recorder information.
>
> These records shall be included in the final report or its appendices only when pertinent to the analysis of the accident or incidents. Parts of the records not relevant to the analysis shall not be disclosed."
>
> "Note. Information contained in the records listed above or its appendices given voluntarily by persons interviewed during the investigation of an accident or incident, could be utilised inappropriately for subsequent disciplinary, civil, administrative and criminal proceedings. If such information is distributed, it may, in the future, no longer be openly disclosed to investigators.

Lack of access to such information would impede the investigative process and seriously affect flight safety."

(3) The last reported sighting occurred at Eddystone Point on Friday 8 September 1972 at about 1.45pm.